



**Notice of San Luis & Delta-Mendota Water Authority
Board of Directors Regular Telephonic Meeting
Thursday, August 5, 2021, 9:30 a.m.**

**Telephonic Participation
(669) 900-6833
Meeting ID: 857 2915 3072
Passcode: 528865**

**SLDMWA Boardroom
842 6th Street, Los Banos, CA 93635**

In accordance with the Governor's Executive Order N-09-21, members of the Board of Directors and Water Authority staff will be participating in this meeting from multiple locations. This meeting will occur with an in-person option for members of the Board interested in attending at the San Luis & Delta-Mendota Water Authority Los Banos Administrative Office, 842 6th Street, Los Banos, California. There will still be an option to attend by calling in for members of the Board and the public. If members of the public have any problems using the call-in number during the meeting, please contact the Authority office at 209-826-9696.

NOTE: Any member of the public may address the Board concerning any item on the agenda before or during its consideration of that item. 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.

Agenda

1. Call to Order/Roll Call
2. Board to Consider Additions or Corrections 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 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.

4. **Board of Directors to Consider Approval of July 15, 2021 Meeting Minutes**
5. **Board of Directors to Consider Acceptance of Financial & Expenditures Reports**
6. **Board of Directors to Consider Acceptance of Staff Reports:**
 - a. **O&M Budget to Actual**
 - b. **Operations & Maintenance**
 - c. **Science Program**
 - d. **Activity Agreements**
 - e. **Procurement Activity**

Action Items

7. **Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Plan for Remote Public Viewing and/or Participating in Committee and Board Meetings, Arroyave**
8. **Board of Directors to Consider Resolution Authorizing Execution of the First Amended and Restated**

Los Vaqueros Reservoir Expansion Project Activity Agreement and Los Vaqueros Reservoir Joint Exercise of Powers Agreement, and Authorizing Actions Related Thereto, Mizuno/Akroyd

Report Items

9. Report on State and Federal Affairs, Petersen/Dennis Cardoza/Kristin Olsen
10. Executive Director's Report, Barajas
 - a. B.F. Sisk Dam Raise and Reservoir Expansion Project
 - b. DMC Subsidence Mitigation Project
 - c. May include reports on activities related to 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities
11. Chief Operating Officer's Report, Arroyave
(May include reports on activities related to 1) OM&R; 2) Infrastructure Projects; 3) Water transfers, exchanges, and release program)
12. Update on Water Operations and Forecasts, Boardman
13. Committee Reports:
 - a. Water Resources Committee Activities, Birmingham
 - b. Finance & Administration Committee Activities, Gilmore
 - c. O & M Technical Committee Activities, White
14. Outside Agency/Organization Reports:
 - a. State and Federal Contractors Water Agency
 - b. Family Farm Alliance
 - c. Farm Water Coalition
 - d. Association of California Water Agencies
 - e. San Joaquin Valley Water Blueprint Effort
 - f. Central Valley Project Water Association
15. Board Member Reports
16. **CLOSED SESSION**

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 3 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. Haaland, et al., U.S. District Court, E.D. Cal., Case No. 1:05-cv-01207-DAD-EPG, 9th Cir. Case No. 21-15163 (2005 DMC Contract Renewals)
- B. Pacific Coast Federation of Fishermen's Associations, et al. 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 (PCFFA v Glaser or GBP Citizens Suit)
- C. Delta Stewardship Council Cases, Sacramento County Superior Court, Case No. JCCP 4758 (formerly 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)
- D. City of Fresno, et al. v. United States, U.S. Court of Federal Claims, Case No. 1:16-cv-01276-EDK (2014 Friant Breach of Contract)
- E. Monterey Coastkeeper, et al. v. Central Valley Regional Water Quality Control Board, et al., Third District Court of Appeal Case No. C093513, Sacramento County Superior Court Case No. 34-2018-80002853; Environmental Law Foundation v. State Water Resources Control Board, Third District Court of Appeal Case No. C093513, Sacramento County Superior Court Case No. 34-2018-80002851; Protectores del Agua Subterranea v. State Water Resources Control Board, Third District

- Court of Appeal Case No. C093513, Sacramento Superior Court Case No. 34-2018-80002852 (Waste Discharge Requirement Cases)
- F. 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)
 - G. North Coast Rivers Alliance, et al. v. San Luis & Delta-Mendota Water Authority, et al., Merced County Superior Court, Case No. 19CV-04989 (GBP Long-Term Storm Water Management Plan)
 - H. Pacific Coast Federation of Fishermen's Associations, et al. v. Raimondo, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00431-DAD-EPG (ROC on LTO BiOps)
 - I. California Natural Resources Agency, et al. v. Raimondo, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00426-DAD-EPG (ROC on LTO BiOps)
 - J. CDWR Water Operation Cases, Sacramento County Superior Court, Case No. JCCP 5117 (formerly Tehama-Colusa Canal Authority et al. v. California Department of Water Resources et al., Fresno County Superior Court, Case No. 20CECG01303) (SWP EIR Challenge)
 - K. AquAlliance et al. v. U.S. Bureau of Reclamation, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00878-DAD-EPG (Long-Term Water Transfers EIS/EIR)
 - L. Winnemem Wintu Tribe et al. v. State Water Resources Control Board et al., Merced County Superior Court, Case No. 19CV-04989 (GBP Waste Discharge Requirements)
 - M. SWRCB Administrative Hearing Office: County of San Joaquin Permit to Appropriate Water from the South Fork American River at the Freeport Regional Water Authority Facility on the Sacramento River, Pending Application A029657 (Permit Application Protest)
17. Return to Open Session / Report from Closed Session, if any Required by Government Code Section 54957.1
18. Reports Pursuant to Government Code Section 54954.2(a)(3)
19. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office via telephone (209) 826-9696 or email [cheri.worthy@sldmwa.org or sandi.ginda@sldmwa.org] at least 3 days before a regular meeting or 1 day before a special meeting/workshop.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
BOARD OF DIRECTORS TELEPHONIC REGULAR MEETING
MINUTES FOR JULY 15, 2021**

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 9:30 a.m. This meeting was held via teleconference/ZOOM in accordance with the Governor's Executive Order (N-29-20) and the declared State of Emergency as a result of the threat of COVID-19, with Chair Cannon Michael presiding.

Directors and Alternate Directors in Attendance Division 1

Vince Lucchesi, Alternate for Bobby Pierce
Anthea Hansen, Director (arrived during item 16)
Rick Gilmore, Director - Lea Emmons, Alternate

Division 2

Ryan Ferguson, Director
William Bourdeau, Director (arrived during item 7)
Michael Linneman, Alternate for John Bennett
Bill Diedrich, Director

Division 3

Jarrett Martin, Alternate for Chris White
Cannon Michael, Director
Ellen Wehr, Alternate for Ric Ortega

Division 4

John Varela, Director
Richard Santos, Alternate for Gary Kremen (arrived during item 18)
Jeff Cattaneo, Director
Sara Singleton, Alternate for Joseph Tonascia

Division 5

Bill Pucheu, Director
Tom Birmingham, Director
Manny Amorelli, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Frances Mizuno, Special Projects Administrator
Rebecca Akroyd, General Counsel
Scott Petersen, Water Policy Director
Joyce Machado, Director of Finance
Lauren Neves, Accountant III
Stewart Davis, IT Officer
Gerald Robbins, Special Programs Manager
Jaime Bowker, Summer Clerk

Others in Attendance

Tom Boardman, Westlands Water District
Mike Wade, California Farm Water Coalition
Don Wright, Water Wrights
Charmel Cajimat, Friant Water Authority
Dennis Cardoza, Foley & Lardner, LLP

1. Call to Order/Roll Call

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

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

No corrections or additions.

3. Opportunity for Public Comment

Don Wright encouraged the Board to continue holding online meetings for the public.

CONSENT ITEMS

4. Agenda Items 4-6: Board to Consider: a) June 10, 2021 Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Staff Reports.

Director Bill Diedrich complemented staff on the complete and comprehensive nature of the reports.

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

AYES:	Lucchesi, Gilmore, Ferguson, Linneman, Diedrich, Jarrett Martin, Michael, Wehr, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

ACTION ITEMS

5. Agenda Item 7: Board of Directors to Consider Water Resources Committee Recommendation Regarding Authorization to Execute Master Science Coordination Agreement with State Water Contractors.

Water Policy Director Scott Petersen reported that historically, the Authority and State Water Contractors have jointly funded a number of science activities, including facilitation and participation in forums, direct funding of studies, among other activities, associated with reducing uncertainty and improving the effectiveness of and minimizing the water supply impacts of species recovery efforts. Petersen reported that these efforts have been performed under individual agreements, some informal, and each action was taken to the Board for approval and execution, therefore taking up staff time and meeting time with the Board. Petersen reported that with the adoption of a revised procurement policy for the Authority, staff is proposing to transition existing agreements and to authorize future science efforts that are jointly funded with the State Water Contractors pursuant to a Master Science Coordination Agreement, with individual project orders to be issued for specific activities. Petersen reported that the attached Master Science Coordination Agreement outlines the terms and includes a template project order form that includes the information that will be incorporated into each subsequent individual project agreement. Petersen reported that the Water Resources Committee recommended that the Board authorize the execution of the Master Science Coordination Agreement with the State Water Contractors with the recommended amendment to item 6 allowing termination by either party with 30-days' notice.

On a motion of Director Tom Birmingham, seconded by Director Rick Gilmore, the Board authorized the execution of the Master Science Coordination Agreement with State Water Contractors with the revision recommended by the Water Resources Committee.

AYES:	Lucchesi, Gilmore, Ferguson, Bourdeau, Linneman, Diedrich, Jarrett Martin, Michael, Wehr, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

6. Agenda Item 8: Board of Directors to Consider Water Resources Committee Recommendation to Adopt Staff Recommendation for Positions on Legislation.

S. 2185 (Barrasso) – Western Water Infrastructure Act of 2021 – Water Policy Director Scott Petersen reported the Water Resources Committee recommended that the Board adopt the staff recommended position of “Support and Amend” on S. 2185, the Western Water Infrastructure Act of 2021. Petersen reported that S. 2185 would reauthorize the WIIN Act funding accounts, authorize funding to eliminate Reclamation’s maintenance backlog, and restore storage capacity at Reclamation and Corps of Engineers facilities by establishing a sediment management program. Petersen reported that it would grandfather the B.F. Sisk Dam Raise and

San Luis Reservoir Expansion projects and authorize an additional \$1.6 billion in funding for the WIIN Act Section 4007 water storage funding account, and \$500 million for desalination and water recycling projects pursuant to WIIN Act Section 4009. Petersen reported that it does contain a provision that would require that projects be transmitted to Congress and approved by both authorizing and appropriations committees prior to funding, which is a change from current practice that only requires that projects be named in appropriations legislation. Petersen reported that projects that had a transmitted feasibility study by January 1, 2021 would be grandfathered under the prior process. Petersen reported that additionally, the legislation authorizes \$300 million for the WaterSMART program, \$50 million in non-reimbursable funds for inspections of aging infrastructure in Reclamation states, \$5 billion for maintenance backlog projects contained in Asset Management Reports, and \$100 million for reservoir sediment management. Petersen reported that staff is recommending a “Support and Amend” position, and is recommending that the Authority support the underlying legislation while working to add a WIIN Act Operations extension to the legislation.

On a motion of Director Tom Birmingham, seconded by Director John Varela, the Board Adopted Staff Recommendation for Positions on Legislation:

AYES:	Lucchesi, Gilmore, Ferguson, Bourdeau, Linneman, Diedrich, Jarrett Martin, Michael, Wehr, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

7. Agenda Item 9: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding WY 21 Recalculated Rates

Chief Operating Officer Pablo Arroyave presented the Water Year 2021 recalculated rates. Arroyave explained that version 1 did not include any additional water transfers and version 2 accounted for the potential water transfer deliveries from OID/SSJID. Arroyave reported that the Finance & Administration Committee recommended the Board adopt Version 1, excluding the potential deliveries of OID/SSJID transfer water, and consider revising the rates at a later date if warranted.

On a motion of Director Rick Gilmore, seconded by Director Bill Pucheu, the Board Adopted the WY 21 Recalculated Rates. The vote on the motion was as follows:

AYES:	Lucchesi, Gilmore, Ferguson, Bourdeau, Linneman, Diedrich, Jarrett Martin, Michael, Wehr, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli
NAYS:	None

ABSTENTIONS: None

REPORT ITEMS

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

Water Policy Director Scott Petersen highlighted items in his report included in the packet. Petersen reported that last month, the Senate confirmed several of President Biden's nominations, including Richard Spinrad to lead NOAA and Tanya Trujillo for the Assistant Secretary for Water and Science at Interior. Petersen reported that additionally, the President formally nominated Camille Calimlim Touton to as Commissioner of the Bureau of Reclamation. Petersen reported that the Authority sent a letter, signed by the Family Farm Alliance, Environmental Defense Fund, the California Farm Bureau, Western Growers and Friant and Tehama Colusa, urging the Senate to rapidly confirm Ms. Touton given the drought conditions throughout the western United States.

Petersen reported that the Biden Administration has announced their first sweeping regulatory agenda, revealing plans to continue modifying environmental regulations on climate, air pollution, toxics and workplace safety. Petersen reported that the biannual plan showcases administration's priorities and offers a glimpse into how quickly and aggressively those priorities might be carried out. Petersen reported that it builds on agency actions ordered by President Biden through Executive Orders on his first day in office, and is usually an aspirational guide to agencies in developing new regulations, but given the gridlock in Congress, it will be used to implement the President's climate agenda, especially for environmental and energy rules.

Petersen reported that Congress will spend July getting the trains loaded for the "two-track" infrastructure push, and the budget committees in both chambers will be the key to unlocking the reconciliation process that gets the Democrat-backed plan going in tandem with a bipartisan deal. Petersen reported it is expected that the Senate Budget Committee will adopt a budget resolution in short order that lays out the spending ceiling for that partisan plan and directs various committees to write the policy details. Petersen reported that Senate Majority Leader Chuck Schumer reiterated his goal of passing that budget resolution on the floor before August recess.

Petersen reported that Senate Democrats announced a top line budget number late Tuesday that will propel their plan to enact the full array of President Joe Biden's social welfare and family aid promises without Republican votes. Petersen reported that the proposal sets an overall limit of \$3.5 trillion for the spate of Democratic policy ambitions that won't make it into a bipartisan infrastructure deal, if Congress can reach one.

Petersen reported that on July 8, Governor Newsom called on Californians to voluntarily reduce their water use by 15 percent to preserve available supplies and protect water reserves. Petersen reported that additionally, Governor Newsom expanded the drought emergency declaration to nine additional counties, bringing the total to 50 counties across the state now under a drought state of emergency.

Petersen reported that the State Water Board will be considering a proposed General Order and draft Programmatic EIR to establish a streamlined permit authorization process for specific types of restoration activities. Petersen reported that this proposed General Order could have the potential to streamline permit authorizations for restoration work. Petersen reported that the State Water Board will accept written comments on the Proposed General Order and draft PEIR until noon on August 13, 2021, and Authority staff anticipates providing comments on the documents and will coordinate with member agencies and other key parties.

Petersen reported that Newsom and legislative leaders announced late Monday that the governor signed the primary bill clearing one of the state's final budget hurdles, nearly two weeks into the new fiscal year and amid one of California's most confusing budget processes to date.

Petersen reported that staff SB 559 advanced through the Assembly Water, Parks and Wildlife Committee this month and now heads to the Appropriations Committee. Petersen reported that it is anticipate that potential amendments to the bill are likely to be negotiated between now and the return of the Legislature in advance of the bill being heard at the Assembly Appropriations Committee. Petersen reported that Separately, the budget signed by the Governor included \$100 million for water conveyance projects.

Dennis Cardoza reported that the infrastructure bill has significant tax provisions that could significantly impact agriculture, and will problematic for the industry.

9. Agenda Item II: Executive Director's Report.

a) **DMC Subsidence Correction Project**– Chief Operating Officer Pablo Arroyave reported that the geotechnical work has been completed. Arroyave reported that the focus right now is working with Reclamation on developing a cooperative agreement and staff hopes to bring it to the Board in substantial form in August or September.

b) **Future Board Meetings** – Executive Director Federico Barajas reported that staff is in the process of transitioning to in-person meetings, and are also working on virtual options. Barajas reported that to make the Boardroom virtual compatible the initial estimated cost would be between \$3,000-\$8,000. General Counsel Rebecca Akroyd reported that the Brown Act relaxation will end September 30, 2021. Barajas reported that hybrid meeting options will be brought to the Board next month. After a brief discussion the Board agreed to have in-person

meetings start in August, with phone options available for both the committee and Board meetings.

c) **B.F. Sisk Dam Raise and Reservoir Expansion** – Executive Director Federico Barajas reported that geotechnical work will be taking place on State Route 152. Chief Operating Officer Pablo Arroyave reported that drilling has started, and will go from 9 p.m.-6 a.m. thru Friday July 16th, and will start back up on Monday July 19, and finish up on Wednesday July 21. Arroyave reported that during that time period, one lane in each direction will be closed.

Arroyave reported that the Authority is expecting to receive input from Reclamation on their views on the operational sub-configuration in the next couple of weeks. Arroyave reported that he will then reach out to the technical team for further discussion, and would also invite Reclamation.

d) **Pacheco Reservoir Expansion Project** – Director Varela reported that project development is still on target, and hopes to have an update next month.

10. **Agenda Item 12: Chief Operating Officer's Report.**

Chief Operating Officer Pablo Arroyave reported that staff is in the twelfth week of the Unit 1 Rewind Project at Jones Pumping Plant, and successfully passed all specification requirements for the stator core reinstallation.

Arroyave provided an update on Water Transfers: 1) Yuba Transfer: Arroyave reported that that as of Friday, July 9th, Reclamation did submit the 5-day notice to the State Water Resources Control Board for the Yuba transfer, and the Authority expected to start pumping today. Arroyave reported Reclamation is still currently having trouble meeting the 3-mile slough water quality requirements, and when they come into compliance then the movement of the Yuba transfer water will begin; 2) North of the Delta Water Transfer: Arroyave reported that there has not be much change since last month. Arroyave reported that all the available transfer water continues to be backed up in Shasta, and is expected to be released in October; 2) OID/SSJID and Stockton East Transfers: Arroyave reported that the Authority is making good progress on both, and ultimately the release of this water will depend in part on how long Reclamation continues to maintain a 1,500 cfs release out of New Melones. Arroyave reported that at this point if these transfers are approved it's expected that the water would move late August or more likely in September and beyond.

11. **Agenda Item 13: Update on Water Operations and Forecasts**

Westlands Water District's Tom Boardman reported that Shasta is drawing down faster than projected by Reclamation. With releases nearly 2,000 cfs higher than forecasted during

July, the projected carry over storage has been lowered from 1.25 MAF to 1.1 MAF. Folsom storage is also about 30 TAF lower than projected at 264 TAF. The projected carry over storage was reported to be about 100-150 TAF below carry over storage levels experienced in 2014 and 2015. Boardman described Delta conditions and stated that water quality levels in Sacramento and San Joaquin rivers have exceeded the relaxed salinity levels but are now back in compliance. Boardman also reported that wheeling of Yuba transfer water may not begin until an incoming high tide passes, and Sacramento valley water diversions begin to decline later in July.

Boardman stated that the CVP share of San Luis is about 30 TAF above its share of dead storage. It was reported that the CVP storage will be about -130 TAF by the end of September. However, since the SWP share of San Luis is projected to be about 450 TAF, delivery interruptions are not expected as total San Luis storage will remain above 300 TAF. Boardman concluded his report by stating that Project operators are discussing the details of borrowing storage in San Luis and the timing of pay back.

Responding to a question from the public, Boardman stated that CVP operators have not provided an update to the current balance of Coordinated Operations Agreement. However, Boardman reported that the SWP likely owes the CVP some amount of water under the COA due to CVP releases from New Melones and north of Delta upstream CVP releases made to reduce the draw on Oroville.

12. Agenda Item 14: Committee Reports.

- a. **Water Resources Committee** – Chair Tom Birmingham reported that the committee met, and addressed agenda items.
- b. **Finance & Administration Committee** – Chair Rick Gilmore reported that the committee met, and addressed agenda items.
- c. **O&M Committee** – No report.

13. Agenda Item 15: Outside Agency/Organization Reports.

- a. **State and Federal Contractors Water Agency (SFCWA)**
No report.
- b. **Family Farm Alliance (FFA)**
Report included in the packet.
- c. **Farm Water Coalition.**

Mike Wade reported that they have been working in support of the Western Water Infrastructure process moving through the committee yesterday that was approved in the Senate, and have been leading much of the media effort. Wade reported that they

have submitted over thirty letters to newspapers around the state talking about the benefits of infrastructure. Wade reported that they have worked with OID to support the process of the OID/SSJID transfers.

d. Association of California Water Agencies

Director Bill Diedrich reported that it is election year for ACWA. Diedrich reported that the Region 6&7 event is scheduled for October 28. Diedrich reported that AWCA is planning on having an in-person conference in late fall.

Director Varela reported if anyone is interested in serving on any committees the deadline is in September.

e. San Joaquin Valley Water Blueprint Effort

Water Policy Director Scott Petersen reported that the Blueprint Effort is going through some proposed revisions to the governance structure, and there is a memo out to key members for feedback.

f. CVPWA

No report.

14. Agenda Item 16: Board Member Reports.

No report.

15. Agenda Items 17-20: Closed Session Report.

Closed Session 1: Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda under Agenda Item 17 at approximately 10:53 a.m. Upon return to open session at approximately 11:14 a.m., Chair Cannon Michael stated that no reportable actions were taken.

Closed Session 2: Director Bill Diedrich, and Michael Linneman announced that they were recusing themselves from the Closed Session agenda under item 19 because of a conflict of interest associated with anticipated litigation under Government Code section 87100. Director Bill Diedrich, and Alternate Michael Linneman did not attend or participate in closed session.

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda under Agenda Item 20 at approximately 11:18 a.m. Upon return to open session at approximately 11:53 p.m., Chair Cannon Michael stated that no reportable actions were taken.

16. Agenda Item 21: Reports Pursuant to Government Code Section 54954.2 (a) (3)

No reports.

17. Agenda Item 22: Adjournment.

The meeting was adjourned at approximately 11:54 p.m.



MEMO

TO: Board of Directors

FROM: Joyce Machado, Director of Finance

SUBJECT: August 2021 BOD Meeting Report - Finance
Fiscal Year - March 1, 2021 through February 28, 2022

DATE: August 5, 2021

Attached are the Financial & Expenditures Reports.

San Luis & Delta-Mendota Water Authority

Receivable Activity Report (Does Not Include Water Payment Transactions)

Month Ending June 30, 2021

	MEMBERS	OTHER	TOTAL RECEIVABLE
RECEIVABLE BALANCE May 31, 2021	\$ 1,042,195.36	\$ 3,445,620.78	\$ 4,487,816.14
Billings:			
Cobra - Various Employees		221.13	221.13
Miscellaneous - Employee Reimbursement		75.50	75.50
Miscellaneous - Expense		21.00	21.00
Miscellaneous - Reimbursed (vendor refund)		335.56	335.56
Miscellaneous - Refund Ceridian wire fees		105.00	105.00
NOD Water Transfers - Various Districts		6,442,137.30	6,442,137.30
SJRECWA Transfers - Various Districts		200,000.00	200,000.00
San Felipe Unit - SLJU Costs		620.10	620.10
SGMA Grant - West Stanislaus ID		37,761.80	37,761.80
State of California Board of Equalization - Diesel Fuel Refund		1,931.00	1,931.00
Volta Wells PG&E Costs - Various Districts		12,495.36	12,495.36
TOTAL BILLINGS	\$ -	\$ 6,695,703.75	\$ 6,695,703.75
Collections:			
Cobra - Various Employees		4,137.84	4,137.84
FWA - JPP Unit Rewinds		995,154.34	995,154.34
Milepost - Various Districts		1,131.54	1,131.54
Miscellaneous - Employee Reimbursement		75.50	75.50
Miscellaneous - Ceridian PR wire fees refund		105.00	105.00
Miscellaneous - Reimbursed (vendor refund)		341.27	341.27
Membership - FY20/21 1st& 2st Installment	8,847.00		8,847.00
Membership - FY22 1st Installment	304,915.67		304,915.67
Los Vasqueros Reservoir Expansion Project - Various Districts		13,164.64	13,164.64
NOD Water Transfers - Westlands Water District		223,594.08	223,594.08
San Felipe Unit - SLJU Costs		290.06	290.06
SJRECWA Transfers - Various Districts		204,862.82	204,862.82
SGMA Grant - West Stanislaus ID		37,761.80	37,761.80
SGMA Grant Implementation/Grant Admin - Various Districts		13,205.48	13,205.48
State of California Board of Equalization - Diesel Fuel Refund		1,931.00	1,931.00
TOTAL COLLECTIONS	\$ 313,762.67	\$ 1,495,755.37	\$ 1,809,518.04
	\$ 728,432.69	\$ 8,645,569.16	\$ 9,374,001.85
RECEIVABLE BALANCE AS OF PERIOD ENDING June 30, 2021			

San Luis & Delta-Mendota Water Authority
SLDMWA
A/R Aging Summary-Sorted by Category
As of June 30, 2021

ID	Customer	Current /12/2021 (30) /12/2021 (60) - 5/13/2021 (90) /re 4/14/2021 (>90)					Customer Categ	Total	
		Open Balance	Open Balance	Open Balance	Open Balance	Open Balance		Open Balance	
CAMP-MEMB	CAMP-MEMB Camp 13 Drainage I	\$0.00	\$0.00	\$0.00	\$0.00	\$33,475.50	MEMBERSHIF	\$33,475.50	
FTLAND-MEMB	FTLAND-MEMB FT Land LLC	\$0.00	\$0.00	\$0.00	\$495.50	\$522.50	MEMBERSHIF	\$1,018.00	
OTTE	OTTE Paul Otten	\$0.00	\$0.00	\$0.00	\$0.00	\$85.69	MEMBERSHIF	\$85.69	
PATTERSON-MEMB	PATTERSON-MEMB City of Patter	\$0.00	\$0.00	\$0.00	\$0.00	\$25,781.50	MEMBERSHIF	\$25,781.50	
PDD-MEMB	PDD-MEMB Panoche Drainage Di	\$0.00	\$0.00	\$0.00	\$0.00	\$285,744.49	MEMBERSHIF	\$285,744.49	
PERE M	PERE M Madeline Pereira	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.00)	MEMBERSHIF	(\$1.00)	
PERR AMK	PERR AMK AMK Pereira, LLC	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.00)	MEMBERSHIF	(\$1.00)	
PWD-MEMB	PWD-MEMB Pacheco Water Distri	\$0.00	\$0.00	\$0.00	\$0.00	\$39,767.50	MEMBERSHIF	\$39,767.50	
SLOAN-MEMB	SLOAN-MEMB The Sloan Family	\$0.00	\$0.00	\$0.00	\$0.00	\$2,835.01	MEMBERSHIF	\$2,835.01	
WWD-MEMB	WWD-MEMB Westlands Water Dis	\$0.00	\$0.00	\$0.00	\$0.00	\$339,727.00	MEMBERSHIF	\$339,727.00	\$728,432.69
0254	0254 Los Banos Property Manage	\$21.00	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$21.00	
ARASAL		\$0.00	\$1,036.21	\$0.00	\$0.00	\$0.00	MISC	\$1,036.21	
CRCD-MISC	CRCD-MISC Columbia Resource C	\$0.00	\$0.00	\$0.00	\$0.00	\$1,131.54	MISC	\$1,131.54	
DPWD-MISC	DPWD-MISC Del Puerto Water Dis	\$6,247.68	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$6,247.68	
EFWD-MISC	EFWD-MISC Eagle Field Water Di	\$18,031.95	\$73.81	\$0.00	\$0.00	\$0.00	MISC	\$18,105.76	
FWA	FWA Friant Water Authority	\$0.00	\$0.00	\$0.00	\$0.00	\$2,189,603.68	MISC	\$2,189,603.68	
MSWD-MISC	MSWD-MISC Mercy Springs Wate	\$11,269.96	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$11,269.96	
PANOCH-MISC	PANOCH-MISC Panoche Water I	\$372,810.61	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$372,810.61	
PWD-MISC	PWD-MISC Pacheco Water Distric	\$39,992.29	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$39,992.29	
SBCWD-MISC	SBCWD-MISC San Benito County	\$141,384.63	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$141,384.63	
SLWD-MISC	SLWD-MISC San Luis Water Distri	\$502,319.57	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$502,319.57	
SWC	SWC State Water Contractors	\$0.00	\$0.00	\$0.00	\$604.37	\$0.00	MISC	\$604.37	
VALLEY-MISC	VALLEY-MISC Valley Water	\$206.70	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$206.70	
WWD-MISC	WWD-MISC Westlands Water Dist	\$5,360,835.16	\$0.00	\$0.00	\$0.00	\$0.00	MISC	\$5,360,835.16	\$8,645,569.16
Total		\$6,453,119.55	\$1,110.02	\$0.00	\$1,099.87	\$2,918,672.41		\$9,374,001.85	\$9,374,001.85

For Month Ending June 30, 2021

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San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - Operational
For Month Ending June 30, 2021

Daily Interest Rates: Type of Account: Account #:		Cash on Hand	0.00% CVCB Checking 0471	0.00% CVCB Payroll 0489	0.25% CVCB Transactional 0463	0.25% CVCB Muni 4858	ST 0.18% MT 0.32% Cal Trust 25-10 Short/Medium Term	0.22% LAIF 4-006	Petty Cash	Total
Cash Balance as of 5/31/2021		0.00	(559,318.74)	5,000.00	17,595,763.79	1,518,750.46	27,205,651.21	12,523,951.72	1,000.00	58,290,798.44
Date	Wire Payments									
06/01/21	USBR-May 2021 Power Bill	0.00	0.00	0.00	(2,230,967.00)	0.00	0.00	0.00	0.00	(2,230,967.00)
06/04/21	Ceridian Fees	0.00	0.00	(70.00)	0.00	0.00	0.00	0.00	0.00	(70.00)
06/02/21	Ceridian-Funding 6/4/21 PR & Taxes	0.00	0.00	0.00	(335,133.91)	0.00	0.00	0.00	0.00	(335,133.91)
06/16/21	BOR-LOA-20-LC-20-2742	0.00	0.00	0.00	(30,000.00)	0.00	0.00	0.00	0.00	(30,000.00)
06/16/21	Ceridian-Funding 6/18/21 PR & Taxes	0.00	0.00	0.00	(332,298.49)	0.00	0.00	0.00	0.00	(332,298.49)
06/21/21	Shepherd OU - Support	0.00	0.00	0.00	(450.00)	0.00	0.00	0.00	0.00	(450.00)
06/30/21	Ceridian-Funding 6/30/21 Pr & Taxes	0.00	0.00	0.00	(337,591.40)	0.00	0.00	0.00	0.00	(337,591.40)
		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
		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	(70.00)	(3,266,440.80)	0.00	0.00	0.00	0.00	(3,266,510.80)
Date	CVCB Sweep Checking/Trans Muni									
06/01/21	Sweep from Transactional Account	0.00	31,409.24	0.00	(31,409.24)	0.00	0.00	0.00	0.00	0.00
06/02/21	Sweep from Transactional Account	0.00	179,780.20	0.00	(179,780.20)	0.00	0.00	0.00	0.00	0.00
06/03/21	Sweep from Transactional Account	0.00	249,843.42	0.00	(249,843.42)	0.00	0.00	0.00	0.00	0.00
06/04/21	Sweep from Transactional Account	0.00	15,368.07	0.00	(15,368.07)	0.00	0.00	0.00	0.00	0.00
06/07/21	Sweep from Transactional Account	0.00	124,918.01	0.00	(124,918.01)	0.00	0.00	0.00	0.00	0.00
06/08/21	Sweep from Transactional Account	0.00	(4,024.45)	0.00	4,024.45	0.00	0.00	0.00	0.00	0.00
06/09/21	Sweep from Transactional Account	0.00	16,140.07	0.00	(16,140.07)	0.00	0.00	0.00	0.00	0.00
06/10/21	Sweep from Transactional Account	0.00	58,488.45	0.00	(58,488.45)	0.00	0.00	0.00	0.00	0.00
06/11/21	Sweep from Transactional Account	0.00	56,036.80	0.00	(56,036.80)	0.00	0.00	0.00	0.00	0.00
06/14/21	Sweep from Transactional Account	0.00	27,065.01	0.00	(27,065.01)	0.00	0.00	0.00	0.00	0.00
06/15/21	Sweep from Transactional Account	0.00	31,949.06	0.00	(31,949.06)	0.00	0.00	0.00	0.00	0.00
06/16/21	Sweep from Transactional Account	0.00	109,530.57	0.00	(109,530.57)	0.00	0.00	0.00	0.00	0.00
06/17/21	Sweep from Transactional Account	0.00	14,896.39	0.00	(14,896.39)	0.00	0.00	0.00	0.00	0.00
06/18/21	Sweep from Transactional Account	0.00	10,582.96	0.00	(10,582.96)	0.00	0.00	0.00	0.00	0.00
06/21/21	Sweep from Transactional Account	0.00	143,131.55	0.00	(143,131.55)	0.00	0.00	0.00	0.00	0.00
06/22/21	Sweep from Transactional Account	0.00	137,739.09	0.00	(137,739.09)	0.00	0.00	0.00	0.00	0.00
06/23/21	Sweep from Transactional Account	0.00	10,542.43	0.00	(10,542.43)	0.00	0.00	0.00	0.00	0.00
06/24/21	Sweep from Transactional Account	0.00	243,173.87	0.00	(243,173.87)	0.00	0.00	0.00	0.00	0.00
06/25/21	Sweep from Transactional Account	0.00	7,264.07	0.00	(7,264.07)	0.00	0.00	0.00	0.00	0.00
06/28/21	Sweep from Transactional Account	0.00	77,295.45	0.00	(77,295.45)	0.00	0.00	0.00	0.00	0.00
06/29/21	Sweep from Transactional Account	0.00	26,441.14	0.00	(26,441.14)	0.00	0.00	0.00	0.00	0.00
06/30/21	Sweep from Transactional Account	0.00	12,441.17	0.00	(12,441.17)	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	1,580,012.57	0.00	(1,580,012.57)	0.00	0.00	0.00	0.00	0.00
Date	Bank Fee/Bank Error/Adjustments									
06/09/21	Incoming Wire Fees	0.00	0.00	0.00	(20.00)	0.00	0.00	0.00	0.00	(20.00)
06/14/21	Incoming Wire Fees	0.00	0.00	0.00	(20.00)	0.00	0.00	0.00	0.00	(20.00)
06/15/21	Incoming Wire Fees	0.00	0.00	0.00	(60.00)	0.00	0.00	0.00	0.00	(60.00)
06/17/21	Incoming Wire Fees	0.00	0.00	0.00	(20.00)	0.00	0.00	0.00	0.00	(20.00)
06/17/21	Change in Share Price	0.00	0.00	0.00	0.00	0.00	(13,835.42)	0.00	0.00	(13,835.42)
06/25/21	Change in Share Price	0.00	0.00	0.00	0.00	0.00	(13,835.42)	0.00	0.00	(13,835.42)
06/29/21	Change in Share Price	0.00	0.00	0.00	0.00	0.00	13,835.42	0.00	0.00	13,835.42
		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	(120.00)	0.00	(13,835.42)	0.00	0.00	(13,955.42)
Date	Interest Earned									
06/30/21	Interest Earned	0.00	0.00	0.00	3,954.32	312.07	6,851.57	0.00	0.00	11,117.96
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	3,954.32	312.07	6,851.57	0.00	0.00	11,117.96
Cash Balance as of 6/30/21		0.00	(414,395.23)	5,105.00	24,212,337.82	1,519,062.53	27,198,667.36	12,523,951.72	1,000.00	65,045,729.20

Note: Daily Interest Rates are through 6/30/21

Percentage in Investment Accounts	4%	66%	30%
Target Percentage in Investment Accounts	10%	75%	15%

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07/27/21

San Luis & Delta-Mendota Water Authority
Grant Funds Cash Activity Detail Report
For Month Ending June 30, 2021

Non-Interest Bearing Account					
Type of Account:		CVCB Checking	CVCB Checking Rewind	CVCB Checking City of Huron	Total
Account #:		8778	8751	0659	
Cash Balance as of 5/31/2021		1,028,561.91	0.00	0.00	1,028,561.91
Receipts - Remote Deposit					
06/09/21	Deposit	0.00	0.00	6,345.92	6,345.92
		0.00	0.00	0.00	0.00
		0.00	0.00	6,345.92	6,345.92
Date	Receipts - Wires & ACH				
06/18/21	WSID-SGMA Inv 9A & 9B Retention	37,761.80	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		37,761.80	0.00	0.00	37,761.80
Date	Checks Written				
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
Date	Wires In from				
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
	Transfers From				
06/10/21	6/9/21 deposit posted into incorrect account	0.00	0.00	(6,345.92)	(6,345.92)
		0.00	0.00	(6,345.92)	(6,345.92)
Date	Transfers Out - To Transactional Acct				
06/07/21	WSID-SGMA Reimb 6/3/21 AP	(37,500.00)	0.00	0.00	(37,500.00)
06/29/21	GWD-GSP - Reimb 6/23/21 AP	(19,911.80)	0.00	0.00	(19,911.80)
		(57,411.80)	0.00	0.00	(57,411.80)
Date	Bank Fee/Bank Error/Adjustments				
06/30/21	Service Charge	0.00	0.00	(0.15)	(0.15)
		0.00	0.00	(0.15)	(0.15)
Cash Balance as of 6/30/21		1,008,911.91	0.00	(0.15)	1,008,911.76

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07/27/21

CC: DN, JM

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - DHCCP: Bonds, Financing Participants
For Month Ending June 30, 2021

Account Information:		CVCB	MUFG, Trustee	MUFG, Trustee	MUFG	
		Financing Participants	Union Bank Series, 2013 A Escrow for Bond Defeasance @ 3/1/23	Union Bank Series, 2013A Bonds Interest & Principal	Series, 2021B Bonds Interest & Principal	Total
Cash Balance as of 5/31/2021		0.00	3,684,098.86	0.00	0.00	3,684,098.86
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
	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	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
	Interest Earned / Adjustments					
		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
Cash Balance as of 6/30/21		0.00	3,684,098.86	0.00	0.00	3,684,098.86

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07/27/21

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - JPP Unit Rewinds Bond 2021A
For Month Ending June 30, 2021

Account Information:		CVCB Bond 2021A	Cal Trust Bond 2021A	Total
Cash Balance as of 5/31/2021		0.00	7,409,799.42	7,409,799.42
Date	Payment Receipts			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
	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	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
	Interest Earned / Adjustments			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
Cash Balance as of 6/30/21		0.00	7,409,799.42	7,409,799.42

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07/27/21

San Luis & Delta-Mendota Water Authority
SLDMWA
A/P Register
June 1, 2021 - June 30, 2021

Account Type	Date	Document	Vendor	Paid
ACCOUNTS PAYABLE				
WIRE	6/1/2021	40021	11045 BUREAU OF RECLAMATION	\$2,230,967.00
VOID	6/2/2021	33522	VOID	(\$1,299.70)
Vendor Bill Payment	6/3/2021	33935	1256 ALISO WATER DISTRICT	\$37,500.30
Vendor Bill Payment	6/3/2021	33936	1169 ALL INDUSTRIAL ELECTRIC SUPPLY, INC.	\$1,026.64
Vendor Bill Payment	6/3/2021	33937	1269 AT&T 831-001-0448 912	\$1,079.00
Vendor Bill Payment	6/3/2021	33938	2386 COTCHETT, PITRE & MCCARTHY, LLP	\$3,800.00
Vendor Bill Payment	6/3/2021	33939	2611 DIEPENBROCK ELKIN	\$4,159.56
Vendor Bill Payment	6/3/2021	33940	2637 DUNGAREES, LLC	\$511.22
Vendor Bill Payment	6/3/2021	33941	3542 FGL ENVIRONMENTAL, INC.	\$124.00
Vendor Bill Payment	6/3/2021	33942	3597 FOLEY & LARDNER LLP	\$32,000.00
Vendor Bill Payment	6/3/2021	33943	3623 FORMATION ENVIRONMENTAL LLC	\$371.30
Vendor Bill Payment	6/3/2021	33944	4004 GILTON SOLID WASTE MANAGEMENT INC. / O'Neill	\$97.08
Vendor Bill Payment	6/3/2021	33945	12019 GRAINGER INC.	\$3,232.99
Vendor Bill Payment	6/3/2021	33946	4610 H.T. HARVEY & ASSOCIATES	\$22,401.05
Vendor Bill Payment	6/3/2021	33947	4531 HIXCO	\$622.48
Vendor Bill Payment	6/3/2021	33948	4569 HOFFMAN SECURITY	\$120.00
Vendor Bill Payment	6/3/2021	33949	4605 HOMEWOOD SUITES	\$1,299.70
Vendor Bill Payment	6/3/2021	33950	6049 KAHN, SOARES & CONWAY, LLP	\$28.35
Vendor Bill Payment	6/3/2021	33951	6026 KRONICK MOSKOVITZ ET AL	\$3,691.20
Vendor Bill Payment	6/3/2021	33952	6793 LES SCHWAB TIRES	\$20.00
Vendor Bill Payment	6/3/2021	33953	25518 LOS BANOS PROPERTY MANAGEMENT SERVICES	\$7,480.00
Vendor Bill Payment	6/3/2021	33954	7556 N&S TRACTOR - DOS PALOS & MERCED	\$280.00
Vendor Bill Payment	6/3/2021	33955	7570 NAPA AUTO PARTS-LOS BANOS / 15111	\$307.46
Vendor Bill Payment	6/3/2021	33956	7557 NAPA AUTO PARTS-TRACY / 04141	\$98.07
Vendor Bill Payment	6/3/2021	33957	25547 O'REILLY / LOS BANOS 1068974	\$457.33
Vendor Bill Payment	6/3/2021	33958	8055 O'REILLY / TRACY 2347935	\$47.07
Vendor Bill Payment	6/3/2021	33959	8583 PANOCHE DRAINAGE DISTRICT	\$13,761.71
Vendor Bill Payment	6/3/2021	33960	15008 PAPE MACHINERY, INC. /POWERPLAN 1123714	\$95.49
Vendor Bill Payment	6/3/2021	33961	25529 PG&E 0664015301-8	\$6,646.24
Vendor Bill Payment	6/3/2021	33962	15074 PLATT	\$22.32
Vendor Bill Payment	6/3/2021	33963	1610 RAPTOR BLASTING SOLUTIONS, INC.	\$28.96
Vendor Bill Payment	6/3/2021	33964	6805 RELX INC. DBA LEXISNEXIS	\$192.00
Vendor Bill Payment	6/3/2021	33965	10129 SANTOS FORD INC.	\$2,730.82
Vendor Bill Payment	6/3/2021	33966	10269 SHERWIN-WILLIAMS	\$238.15
Vendor Bill Payment	6/3/2021	33967	10002 SORENSEN'S ACE HARDWARE	\$112.93
Vendor Bill Payment	6/3/2021	33968	10504 TEE-DEE-US AUTOMOTIVE LLC	\$247.33
Vendor Bill Payment	6/3/2021	33969	10661 THE DON CHAPIN CO. INC.	\$1,379.10
Vendor Bill Payment	6/3/2021	33970	10625 THE OFFICE CITY	\$153.85
Vendor Bill Payment	6/3/2021	33971	11552 VERIZON WIRELESS	\$584.95
Vendor Bill Payment	6/3/2021	33972	12096 WEX BANK	\$782.39
Vendor Bill Payment	6/3/2021	33973	12057 WINDECKER. INC.	\$2,160.23
Vendor Bill Payment	6/3/2021	33974	12123 WOODARD & CURRAN INC.	\$19,290.24
ACH	6/4/2021	40035	25536 SLDMWA EE ASSOCIATION	\$440.00
ACH	6/7/2021	40037	5004 ICMA RETIREMENT TRUST	\$82,230.57
Vendor Bill Payment	6/10/2021	33975	25523 ALHAMBRA / LBAO 9459657	\$90.76
Vendor Bill Payment	6/10/2021	33976	10048 ALHAMBRA / LBFO 9459721	\$99.28
Vendor Bill Payment	6/10/2021	33977	1169 ALL INDUSTRIAL ELECTRIC SUPPLY, INC.	\$284.31
Vendor Bill Payment	6/10/2021	33978	1098 ASBURY ENVIRONMENTAL SERVICES/dba WORLD OIL ENVIRONMENTAL SERVICES	\$55.00
Vendor Bill Payment	6/10/2021	33979	1675 BLOOMBERG INC.	\$2,421.00
Vendor Bill Payment	6/10/2021	33980	4501 BRUCE'S TIRE INC.	\$466.23
Vendor Bill Payment	6/10/2021	33981	2332 CALIFORNIA FARM WATER COALITION	\$14,166.66
Vendor Bill Payment	6/10/2021	33982	2420 CALIFORNIA STATE DISBURSEMENT UNIT	\$105.23
Vendor Bill Payment	6/10/2021	33983	2362 CALTRONICS BUSINESS SYSTEMS	\$310.76
Vendor Bill Payment	6/10/2021	33984	1655 GARNISHMENT	\$529.85
Vendor Bill Payment	6/10/2021	33985	2638 DENAIR LUMBER COMPANY, INC.	\$27,981.29
Vendor Bill Payment	6/10/2021	33986	4123 GILL MOTORS TRACY INC.	\$385.37
Vendor Bill Payment	6/10/2021	33987	12019 GRAINGER INC.	\$737.31
Vendor Bill Payment	6/10/2021	33988	5041 INTRADO ENTERPRISE COLLABORATION, INC.	\$284.13
Vendor Bill Payment	6/10/2021	33989	5509 JIM MOORE ENTERPRISES	\$393.16
Vendor Bill Payment	6/10/2021	33990	6504 LOS BANOS FLOWER SHOP	\$193.04
Vendor Bill Payment	6/10/2021	33991	7008 MARFAB INC.	\$16.60
Vendor Bill Payment	6/10/2021	33992	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH DAKOTA AGRICULTURAL LABORATORIES	\$5,427.00
Vendor Bill Payment	6/10/2021	33993	7214 MCLELLAN INDUSTRIES, INC.	\$141.57
Vendor Bill Payment	6/10/2021	33994	7037 MERCED COUNTY DEPT. OF AG.	\$920.00
Vendor Bill Payment	6/10/2021	33995	7009 MERCED COUNTY REG. WASTE MGMT AUTHORITY	\$70.17
Vendor Bill Payment	6/10/2021	33996	5555 MLJ ENVIRONMENTAL	\$6,647.50
Vendor Bill Payment	6/10/2021	33997	7027 MODESTO WELDING PRODUCTS INC.	\$8.00
Vendor Bill Payment	6/10/2021	33998	11054 MUFG UNION BANK N.A.	\$1,000.00
Vendor Bill Payment	6/10/2021	33999	7570 NAPA AUTO PARTS-LOS BANOS / 15111	\$97.81
Vendor Bill Payment	6/10/2021	34000	25547 O'REILLY / LOS BANOS 1068974	\$47.82
Vendor Bill Payment	6/10/2021	34001	8055 O'REILLY / TRACY 2347935	\$32.56
Vendor Bill Payment	6/10/2021	34002	25541 OMICRON ELECTRONICS CORP USA / GEO E. HONN CO., INC.	\$63,440.38

Vendor Bill Payment	6/10/2021	34003	15074 PLATT	\$284.68
Vendor Bill Payment	6/10/2021	34004	25540 SAN DIEGO HYDRAULICS INC.	\$6,346.40
Vendor Bill Payment	6/10/2021	34005	10269 SHERWIN-WILLIAMS	\$93.73
Vendor Bill Payment	6/10/2021	34006	10002 SORENSEN'S ACE HARDWARE	\$37.87
Vendor Bill Payment	6/10/2021	34007	10633 TRACY FORD	\$756.15
Vendor Bill Payment	6/10/2021	34008	10601 TURLOCK IRRIGATION DISTRICT	\$95.34
Vendor Bill Payment	6/10/2021	34009	11549 VALIN CORPORATION	\$240.04
Vendor Bill Payment	6/10/2021	34010	12111 WARDEN'S	\$1,055.38
Vendor Bill Payment	6/10/2021	34011	4122 WILLIAM R. GRAY & CO./DBA Gray-Bowen-Scott	\$435.00
Vendor Bill Payment	6/10/2021	34012	12057 WINDECKER. INC.	\$4,874.14
Vendor Bill Payment	6/10/2021	34013	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH DAKOTA AGRICULTURAL LABORATORIES	\$3,937.00
Vendor Bill Payment	6/16/2021	34014	1237 A.M. CASTLE & CO.	\$2,947.16
Vendor Bill Payment	6/16/2021	34015	1007 ACWA/JPIA	\$3,378.00
Vendor Bill Payment	6/16/2021	34016	1041 ACWA/JPIA	\$210,765.05
Vendor Bill Payment	6/16/2021	34017	1154 AIRGAS USA, LLC	\$962.06
Vendor Bill Payment	6/16/2021	34018	5503 ARCTIC GLACIER INC. / LOS BANOS 96103091	\$163.50
Vendor Bill Payment	6/16/2021	34019	10195 AT&T 960 758 3850 555 7	\$6,234.36
Vendor Bill Payment	6/16/2021	34020	10196 AT&T LONG DISTANCE BAN:806492911	\$80.33
Vendor Bill Payment	6/16/2021	34021	2407 CDM SMITH INC.	\$41,909.75
Vendor Bill Payment	6/16/2021	34022	12019 GRAINGER INC.	\$218.05
Vendor Bill Payment	6/16/2021	34023	4531 HIXCO	\$57.40
Vendor Bill Payment	6/16/2021	34024	4500 HOLT OF CALIFORNIA	\$873.19
Vendor Bill Payment	6/16/2021	34025	4605 HOMEWOOD SUITES	\$519.88
Vendor Bill Payment	6/16/2021	34026	5047 INDUSTRIAL SCIENTIFIC CORP.	\$848.24
Vendor Bill Payment	6/16/2021	34027	6026 KRONICK MOSKOVITZ ET AL	\$115,480.03
Vendor Bill Payment	6/16/2021	34028	7009 MERCED COUNTY REG. WASTE MGMT AUTHORITY	\$68.51
Vendor Bill Payment	6/16/2021	34029	7077 MODESTO STEEL INC.	\$24.94
Vendor Bill Payment	6/16/2021	34030	7570 NAPA AUTO PARTS-LOS BANOS / 15111	\$82.58
Vendor Bill Payment	6/16/2021	34031	7557 NAPA AUTO PARTS-TRACY / 04141	\$185.16
Vendor Bill Payment	6/16/2021	34032	25547 O'REILLY / LOS BANOS 1068974	\$4.68
Vendor Bill Payment	6/16/2021	34033	8511 PG&E 7262165466-3	\$3,132.86
Vendor Bill Payment	6/16/2021	34034	15042 PIONEER LAW GROUP, LLP.	\$4,019.00
Vendor Bill Payment	6/16/2021	34035	15074 PLATT	\$3,723.55
Vendor Bill Payment	6/16/2021	34036	15003 PROVOST & PRITCHARD CONSULTING GROUP	\$9,286.00
Vendor Bill Payment	6/16/2021	34037	9579 RAMOS OIL CO. INC	\$7,084.42
Vendor Bill Payment	6/16/2021	34038	1610 RAPTOR BLASTING SOLUTIONS, INC.	\$3,792.01
Vendor Bill Payment	6/16/2021	34039	9603 REFRIGERATION SUPPLIES DISTRIBUTOR	\$2,156.64
Vendor Bill Payment	6/16/2021	34040	10274 SC FUELS	\$1,135.87
Vendor Bill Payment	6/16/2021	34041	10002 SORENSEN'S ACE HARDWARE	\$40.76
Vendor Bill Payment	6/16/2021	34042	25528 W.S. DARLEY & CO.	\$27,951.16
Vendor Bill Payment	6/16/2021	34043	12111 WARDEN'S	\$1,075.89
Vendor Bill Payment	6/16/2021	34044	12119 WIENHOFF DRUG TESTING	\$50.00
Vendor Bill Payment	6/16/2021	34045	12123 WOODARD & CURRAN INC.	\$5,667.25
Vendor Bill Payment	6/16/2021	34046	13605 ZORO TOOLS, INC.	\$262.15
Vendor Bill Payment	6/16/2021	34047	3610 FASTRAK	\$6.00
WIRE	6/16/2021	40032	1628 BUREAU OF RECLAMATION	\$30,000.00
ACH	6/18/2021	40036	25536 SLDMWA EE ASSOCIATION	\$440.00
WIRE	6/21/2021	40033	10327 SHEPHERD OU	\$450.00
ACH	6/21/2021	40038	5004 ICMA RETIREMENT TRUST	\$81,551.70
VOID	6/22/2021	30316	VOID	(\$1.42)
Vendor Bill Payment	6/23/2021	34048	1154 AIRGAS USA, LLC	\$95.30
Vendor Bill Payment	6/23/2021	34049	15069-EMP EMPLOYEE	\$220.00
Vendor Bill Payment	6/23/2021	34050	25552 ALHAMBRA / SLDM PUMP 4914649	\$264.23
Vendor Bill Payment	6/23/2021	34051	1268 AT&T 831-001-0165 694	\$2,237.32
Vendor Bill Payment	6/23/2021	34052	1267 AT&T 831-001-0165 911	\$2,042.40
Vendor Bill Payment	6/23/2021	34053	1224 AT&T MOBILITY 287262155504	\$594.80
Vendor Bill Payment	6/23/2021	34054	1251 AT&T MOBILITY 287287411139	\$87.00
Vendor Bill Payment	6/23/2021	34055	1652 BONANDER AUTO. TRUCK & TRAILER, INC.	\$4,233.21
Vendor Bill Payment	6/23/2021	34056	1677 BURLINGTON SAFETY LABORATORY INC.	\$1,204.16
Vendor Bill Payment	6/23/2021	34057	2217 C.A. SHORT COMPANY, INC	\$760.17
Vendor Bill Payment	6/23/2021	34058	2420 CALIFORNIA STATE DISBURSEMENT UNIT	\$105.23
Vendor Bill Payment	6/23/2021	34059	2250 CDW GOVERNMENT	\$729.39
Vendor Bill Payment	6/23/2021	34060	1655 GARNISHMENT	\$529.85
Vendor Bill Payment	6/23/2021	34061	2105 COUNTY OF STANISLAUS / Fink Road Landfill	\$130.80
Vendor Bill Payment	6/23/2021	34062	2315 CREATIVE OUTDOOR ENVIRONMENTS, INC.	\$740.00
Vendor Bill Payment	6/23/2021	34063	7584 PETTY CASH	\$174.97
Vendor Bill Payment	6/23/2021	34064	2519 DELTA DISPOSAL SERVICE INC.	\$712.44
Vendor Bill Payment	6/23/2021	34065	2639 DHR HYDRO SERVICES INC.	\$70,016.80
Vendor Bill Payment	6/23/2021	34066	2508 DIAMOND TRUCK BODY MFG. CO. INC.	\$2,617.57
Vendor Bill Payment	6/23/2021	34067	3082 ELK GROVE AUTO GROUP, INC	\$28,228.29
Vendor Bill Payment	6/23/2021	34068	1213-EMP EMPLOYEE	\$200.00
Vendor Bill Payment	6/23/2021	34069	3604 FIRESTONE COMPLETE AUTO CARE	\$646.10
Vendor Bill Payment	6/23/2021	34070	4013 GLOBAL EQUIPMENT COMPANY INC./GLOBAL INDUSTRIAL 3924644	\$114.65
Vendor Bill Payment	6/23/2021	34071	4031 GRASSLAND WATER DISTRICT	\$19,911.80
Vendor Bill Payment	6/23/2021	34072	4625 HENLE FAMILY LTD PARTNERSHIP	\$102.16
Vendor Bill Payment	6/23/2021	34073	4531 HIXCO	\$1,332.45
Vendor Bill Payment	6/23/2021	34074	4528 HOME DEPOT CREDIT SERVICE	\$710.53
Vendor Bill Payment	6/23/2021	34075	4605 HOMEWOOD SUITES	\$649.85
Vendor Bill Payment	6/23/2021	34076	4549 HYDRAULIC POWER SALES, INC.	\$317.22
Vendor Bill Payment	6/23/2021	34077	5056 IDN WILCO	\$1,103.30
Vendor Bill Payment	6/23/2021	34078	5509 JIM MOORE ENTERPRISES	\$503.36
Vendor Bill Payment	6/23/2021	34079	25522 JOE'S LANDSCAPE & CONCRETE, INC.	\$236.25

Vendor Bill Payment 6/23/2021	34080	6049 KAHN, SOARES & CONWAY, LLP	\$2,470.00
Vendor Bill Payment 6/23/2021	34081	25562 LOS BANOS TRANSPORT & TOWING	\$183.00
Vendor Bill Payment 6/23/2021	34082	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH DAKOTA AGRICULTURAL LABORATORIES	\$5,065.50
Vendor Bill Payment 6/23/2021	34083	7148 MCCROMETER, INC.	\$10,223.23
Vendor Bill Payment 6/23/2021	34084	7077 MODESTO STEEL INC.	\$764.12
Vendor Bill Payment 6/23/2021	34085	25547 O'REILLY / LOS BANOS 1068974	\$265.99
Vendor Bill Payment 6/23/2021	34086	8595 PACIFIC ECO-RISK LAB. INC.	\$3,231.87
Vendor Bill Payment 6/23/2021	34087	8581 PATEL PULLIAM & HUBLI	\$68.00
Vendor Bill Payment 6/23/2021	34088	9545 RECLAMATION DISTRICT #1004	\$853.25
Vendor Bill Payment 6/23/2021	34089	10066 SAFE-T-LITE OF MODESTO, INC.	\$360.63
Vendor Bill Payment 6/23/2021	34090	10069 SUMMERS ENGINEERING, INC.	\$50,678.69
Vendor Bill Payment 6/23/2021	34091	25553 SYAR INDUSTRIES, INC.	\$962.08
Vendor Bill Payment 6/23/2021	34092	11042 ULINE	\$419.03
Vendor Bill Payment 6/23/2021	34093	11060 UNWIRED BROADBAND INC. A00015979	\$1,599.94
Vendor Bill Payment 6/23/2021	34094	25521 UNWIRED BROADBAND INC. A00019063	\$249.98
Vendor Bill Payment 6/23/2021	34095	12111 WARDEN'S	\$1,691.44
Vendor Bill Payment 6/23/2021	34096	12134 WINDSWEPT ORCHARDS, LLC	\$874.30
Vendor Bill Payment 6/23/2021	34097	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH DAKOTA AGRICULTURAL LABORATORIES	\$3,686.50
Vendor Bill Payment 6/30/2021	34098	2415-EMP EMPLOYEE	\$63.92
Vendor Bill Payment 6/30/2021	34099	12099 ACTION INDUSTRIAL SUPPLY CO.	\$40.99
Vendor Bill Payment 6/30/2021	34100	1261 ADVANCED CHEMICAL TRANSPORT, INC. dba ACTENVIRO	\$1,833.17
Vendor Bill Payment 6/30/2021	34101	1141 AFLAC	\$704.31
Vendor Bill Payment 6/30/2021	34102	1169 ALL INDUSTRIAL ELECTRIC SUPPLY, INC.	\$120.84
Vendor Bill Payment 6/30/2021	34103	1657 BOSS SAFETY PRODUCTS	\$1,026.95
Vendor Bill Payment 6/30/2021	34104	4501 BRUCE'S TIRE INC.	\$260.36
Vendor Bill Payment 6/30/2021	34105	2407 CDM SMITH INC.	\$6,658.55
Vendor Bill Payment 6/30/2021	34106	2637 DUNGAREES, LLC	\$624.82
Vendor Bill Payment 6/30/2021	34107	3610 FASTRAK	\$6.00
Vendor Bill Payment 6/30/2021	34108	4123 GILL MOTORS TRACY INC.	\$189.65
Vendor Bill Payment 6/30/2021	34109	25550 GILTON SOLID WASTE MANAGEMENT INC. / LBFO	\$146.32
Vendor Bill Payment 6/30/2021	34110	12019 GRAINGER INC.	\$694.95
Vendor Bill Payment 6/30/2021	34111	4531 HIXCO	\$419.16
Vendor Bill Payment 6/30/2021	34112	4605 HOMEWOOD SUITES	\$649.85
Vendor Bill Payment 6/30/2021	34113	5033 INDUSTRY PACKING & SEALS, INC.	\$12,797.23
Vendor Bill Payment 6/30/2021	34114	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH DAKOTA AGRICULTURAL LABORATORIES	\$1,053.00
Vendor Bill Payment 6/30/2021	34115	7027 MODESTO WELDING PRODUCTS INC.	\$122.75
Vendor Bill Payment 6/30/2021	34116	7164 MOSAIC ASSOCIATES	\$1,015.00
Vendor Bill Payment 6/30/2021	34117	8055 O'REILLY / TRACY 2347935	\$289.41
Vendor Bill Payment 6/30/2021	34118	8069 OVIVO USA, LLC	\$4,740.12
Vendor Bill Payment 6/30/2021	34119	8595 PACIFIC ECO-RISK LAB. INC.	\$90.00
Vendor Bill Payment 6/30/2021	34120	7005 PACIFIC VALLEY COFFEE	\$90.80
Vendor Bill Payment 6/30/2021	34121	8583 PANOCHE DRAINAGE DISTRICT	\$16,165.98
Vendor Bill Payment 6/30/2021	34122	25529 PG&E 0664015301-8	\$86.02
Vendor Bill Payment 6/30/2021	34123	25531 PG&E 2125628853-7	\$59.47
Vendor Bill Payment 6/30/2021	34124	25530 PG&E 8833159983-2	\$668.77
Vendor Bill Payment 6/30/2021	34125	15015 PRINCIPAL LIFE INSURANCE COMPANY	\$4,952.80
Vendor Bill Payment 6/30/2021	34126	15003 PROVOST & PRITCHARD CONSULTING GROUP	\$2,971.50
Vendor Bill Payment 6/30/2021	34127	10211 SAN BENITO COUNTY WATER DISTRICT	\$10,000.00
Vendor Bill Payment 6/30/2021	34128	10001 SAN LUIS WATER DISTRICT	\$6,000.00
Vendor Bill Payment 6/30/2021	34129	10188 VALLEY WATER	\$174,000.00
Vendor Bill Payment 6/30/2021	34130	12116 WALMART	\$69.90
Vendor Bill Payment 6/30/2021	34131	12003 WESTLANDS WATER DISTRICT	\$426.66
Vendor Bill Payment 6/30/2021	34132	12091 WHITE CAP, L.P.	\$980.94
Vendor Bill Payment 6/30/2021	34133	13600 ZOOM IMAGING SOLUTIONS INC.	\$576.01
Vendor Bill Payment 6/30/2021	34134	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH DAKOTA AGRICULTURAL LABORATORIES	\$6,048.00
Vendor Bill Payment 6/30/2021	34135	12003 WESTLANDS WATER DISTRICT	\$10,000.00
Total - ACCOUNTS PAYABLE			\$3,684,497.96

San Luis & Delta-Mendota Water Authority

Activity Agreements Budget to Actual

Paid/Pending Comparison Summary

March 1, 2021 through June 30, 2021

FAC 8/2/21 & BOD 8/5/21

		FY Budget 3/1/21 - 2/28/22	Actual To Date Paid/Pending 3/1/21 - 6/30/21	% of Budget	Amount Remaining
03	General Membership	765,146	201,642	26.35%	563,504
05	Leg/CVP Operations	4,577,106	718,771	15.70%	3,858,335
06	Reallocation Agreement	0	0	0.00%	0
35	Contract Renewal Coordinator	73,368	8,987	12.25%	64,381
09	Leg/CVP Operations #3	0	0	0.00%	0
28	Yuba County Water Transfers	18,000	1,926	10.70%	16,074
22	Grassland Basin Drainage #3A	2,352,898	538,642	22.89%	1,814,256
63	SGMA - Coordinated	260,696	6,920	2.65%	253,776
64	SGMA - Northern Delta-Mendota Region	649,812	59,856	9.21%	589,956
65	SGMA - Central Delta-Mendota Region	649,812	65,090	10.02%	584,722
67	Integrated Regional Water Management	223,850	18,255	8.15%	205,595
68	Los Vaqueros Reservoir Expansion	15,000	11,313	75.42%	3,687
44	Exchange Contractors - 5 Year Transfer	2,000	0	0.00%	2,000
56	Long-Term North to South Water Transfer	167,000	82,936	49.66%	84,064
16	DHCCP	5,472	0	0.00%	5,472
TOTAL		9,760,160	1,714,340	17.56%	8,045,820
4/ 12 X 9,760,160			\$ 3,253,387	33.33%	
Budget vs. Actual			<u>1,539,047</u>		

Notes:



MEMO

TO: Pablo Arroyave, Chief Operating Officer
FROM: Joyce Machado, Director of Finance
SUBJECT: FY22 O&M Budget to Actual Report
DATES: 8.2.21 FAC and 8.5.21 BOD

2021 Water Year (FY 3/1/21-2/28/22) attachment 1

Self-funding actual expenses (paid and pending) for SLDMWA Routine O&M through June 30, 2021 are under budget by \$727,930.

Outstanding

2020 Water Year (FY 3/1/20-2/28/21)

Draft contractor records will go out once all deliveries and payments are finalized.

2019 Water Year (FY 3/1/19-2/29/20)

Staff is working to distribute the WY19 Final Accountings soon.

Intertie O&M Cost Recovery

WY12 Intertie True-Up: outstanding, no cost recovery
WY13 Intertie True-Up: outstanding, no cost recovery
WY14 Intertie True-Up: outstanding, no cost recovery
WY15 Intertie True-Up: outstanding, no cost recovery
WY16 Intertie True-Up: outstanding, no cost recovery
WY17 Intertie True-Up: outstanding, no cost recovery
WY18 Intertie True-Up: outstanding, no cost recovery

ANNUAL R, O&M BUDGET BY COST POOLS MARCH 1, 2021 - FEBRUARY 28, 2022

						O'NEILL O&M		
	Total	UPPER	Intertie	Volta Wells	LWR/POOL	DIRECT	STORAGE	SL DRAIN
DMC	\$ 8,008,670	\$ 4,832,431			\$ 3,176,238			
JPP	\$ 4,070,870	\$ 4,070,870						
WW	\$ 166,659	\$ 124,994			\$ 41,665			
Intertie O&M / DWR Conveyance	\$ 1,705,468		\$ 1,705,468					
Volta Wells	\$ 44,270			\$ 44,270				
Mendota Pool	\$ 164,374				\$ 164,374			
O'Neill	\$ 2,059,340					\$ 1,832,812	\$ 226,527	
SL Drain	\$ 200,962							\$ 200,962
	\$ 16,420,612	\$ 9,028,295	\$ 1,705,468	\$ 44,270	\$ 3,382,277	\$ 1,832,812	\$ 226,527	\$ 200,962

R, O&M BUDGET BY COST POOLS THROUGH June 30, 2021

33.33%

						O'NEILL O&M		
	Total	UPPER	Intertie	Volta Wells	LWR	DIRECT	STORAGE	SL DRAIN
DMC	\$ 2,669,557	\$ 1,610,810			\$ 1,058,746			
JPP	\$ 1,356,957	\$ 1,356,957						
WW	\$ 55,553	\$ 41,665			\$ 13,888			
Intertie O&M / DWR Conveyance	\$ 568,489		\$ 568,489					
Volta Wells	\$ 14,757			\$ 14,757				
Mendota Pool	\$ 54,791				\$ 54,791			
O'Neill	\$ 686,447					\$ 610,937	\$ 75,509	
SL Drain	\$ 66,987							\$ 66,987
	\$ 5,473,537	\$ 3,009,432	\$ 568,489	\$ 14,757	\$ 1,127,426	\$ 610,937	\$ 75,509	\$ 66,987

R, O&M Actual COSTS BY COST POOLS THROUGH June 30, 2021

						O'NEILL O&M		
	Total	UPPER	Intertie	Volta Wells	LWR	DIRECT	STORAGE	SL DRAIN
DMC	\$ 2,335,081	\$ 1,408,988			\$ 926,093			
JPP	\$ 1,208,260	\$ 1,208,260						
WW	\$ 78,803	\$ 59,102			\$ 19,701			
Intertie O&M / DWR Conveyance	\$ 50,262		\$ 50,262					
Volta Wells	\$ 327			\$ 327				
Mendota Pool	\$ 45,282				\$ 45,282			
O'Neill	\$ 975,366					\$ 868,076	\$ 107,290	
SL Drain	\$ 52,225							\$ 52,225
	\$ 4,745,607	\$ 2,676,350	\$ 50,262	\$ 327	\$ 991,076	\$ 868,076	\$ 107,290	\$ 52,225

R, O&M BUDGET vs Actual COSTS THROUGH June 30, 2021

						O'NEILL O&M		
	TOTAL	UPPER	INTERTIE & DWR Conveyance	Volta Wells	LWR/POOL	DIRECT	STORAGE	SL DRAIN
R, O&M Budget	\$ 5,473,537	\$ 3,009,432	\$ 568,489	\$ 14,757	\$ 1,127,426	\$ 610,937	\$ 75,509	\$ 66,987
R, O&M Actual	\$ 4,745,607	\$ 2,676,350	\$ 50,262	\$ 327	\$ 991,076	\$ 868,076	\$ 107,290	\$ 52,225
Difference	\$ 727,930	\$ 333,082	\$ 518,227	\$ 14,430	\$ 136,350	\$ (257,138)	\$ (31,781)	\$ 14,762
	UNDER	UNDER	UNDER	UNDER	UNDER	OVER	OVER	UNDER
	13.299084% under budget							

subject to rounding

San Luis & Delta-Mendota Water Authority
DMC without CIP / E O&M
Budget to Actual Paid/Pending Comparison Summary
March 1, 2021 through June 30, 2021
FAC 8/2/21 & BOD 8/5/21

		FY Budget 3/1/21 - 2/28/22		Actual To Date Paid/Pending		% of Budget	Notes	Budget Amount Remaining
Operate & Maintain DMC	S/F 02	4,949,705		1,616,434		32.66%		3,333,271
Operate & Maintain Wasteways	S/F 04	110,124		51,985		47.21%		58,139
Mendota Pool	S/F 05	113,822		42,709		37.52%		71,112
Operate & Maintain JPP	S/F 11	2,857,101		836,292		29.27%		2,020,809
Intertie Maintenance	S/F 12	177,142	A	33,163		18.72%		143,979
Volta Wells Pumping	S/F 13	30,685		215		0.70%		30,470
Operate & Maintain O'Neill	S/F 19	1,454,425		676,794		46.53%		777,630
Maintain Tracy Fish Facility	USBR 30	26,631		50,578		189.92%		(23,947)
Operate & Maintain San Luis Drain	S/F 41	134,634		34,970		25.97%		99,664
Maintain Delta Cross Channel	USBR 44	38,000		-		0.00%		38,000
Safety Equipment Training	50	5,358		41		0.77%		5,316
Warehousing	52	172,016		65,380		38.01%		106,636
Tracy Field Office Expense	54	440,832		119,223		27.05%		321,608
Direct Administrative/General Expense	56	1,693,356		688,561		40.66%		1,004,795
Indirect O & M LBAO Admin.	58	2,171,311		628,794		28.96%		1,542,516
TOTAL		14,375,140		4,855,512		33.78%		9,519,628
Total from Self-Funding - page 2		14,206,256		4,745,607		33.41%		9,460,649
Total from USBR - page 3		168,884		87,231		51.65%		81,653
Total from Special Projects - page 4		-		22,675				(22,675)
Totals		14,375,140		4,855,512				9,519,628
YTD %		33.33%						

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, 2021 through June 30, 2021

FAC 8/2/21 & BOD 8/5/21

		FY Budget 3/1/21 - 2/28/22		Actual To Date Paid/Pending		% of Budget		Budget Amount Remaining
Operate & Maintain DMC	02	4,949,705		1,616,434		32.66%		3,333,271
Operate & Maintain Wasteways	04	110,124		51,985		47.21%		58,139
Mendota Pool	05	113,822		42,709		37.52%		71,112
Operate & Maintain JPP	11	2,857,101		836,292		29.27%		2,020,809
Intertie Maintenance	12	177,142	A	33,163		18.72%		143,979
Volta Wells Pumping	13	30,685		215		0.70%		30,470
Operate & Maintain O'Neill	19	1,454,425		676,794		46.53%		777,630
Operate & Maintain San Luis Drain	41	134,634		34,970		25.97%		99,664
Total Direct O & M		9,827,637		3,292,563		33.50%		6,535,074
Safety Equipment Training	50	5,233		40		0.77%		5,193
Warehousing	52	168,015		63,249		37.64%		104,767
Tracy Field Office Expense	54	430,580		115,337		26.79%		315,242
Direct Administrative/General Expense	56	1,653,975		666,118		40.27%		987,858
Indirect O & M LBAO Admin.	58	2,120,815		608,300		28.68%		1,512,515
Total Indirect Allocated to O & M		4,378,619		1,453,044		33.18%		2,925,575
Total SLDMWA O&M		14,206,256		4,745,607		33.41%		9,460,649

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, 2021 through June 30, 2021

FAC 8/2/21 & BOD 8/5/21

		FY Budget 3/1/21 - 2/28/22	Actual To Date Paid/Pending	% of Budget	Budget Amount Remaining
Maintain Tracy Fish Facility	30	26,631	50,578	189.92%	(23,947)
Maintain Delta Cross Channel	44	38,000	-	0.00%	38,000
Total Direct USBR Facilities		64,631	60,950	94.30%	3,682
Safety Equipment Training	50	125	1	0.58%	124
Warehousing	52	4,000	1,144	28.60%	2,856
Tracy Field Office Expense	54	10,252	2,086	20.35%	8,166
Direct Administrative/General Expense	56	39,380	12,048	30.59%	27,332
Indirect O & M LBAO Admin.	58	50,496	11,002	21.79%	39,493
Total Indirect Allocated USBR Facilities		104,253	26,281	25.21%	77,972
TOTAL USBR FACILITIES		168,884	87,231	51.65%	81,653

San Luis & Delta-Mendota Water Authority

DMC Indirect Cost Allocated to Special Projects

March 1, 2021 through June 30, 2021

FAC 8/2/21 & BOD 8/5/21

		Allocated To Date		
Special Projects allocated				
Indirect allocated to Special Projects				
Safety Equipment Training 50		1		
Warehousing 52		987		
Tracy Field Office Expense 54		1,800		
Direct Administrative/General Expense 56		10,395		
Indirect O & M LBAO Admin. 58		9,492		
Total Indirect Allocated to SPECIAL PROJECTS		22,675		
TOTAL INDIRECT ALLOCATED TO SPECIAL PROJECTS		22,675		

San Luis & Delta-Mendota Water Authority

DMC WITH CIP / E O & M

Budget to Actual Paid/Pending Comparison Summary

March 1, 2021 through June 30, 2021

FAC 8/2/21 & BOD 8/5/21

		FY Budget 3/1/21 - 2/28/22		Actual To Date Paid/Pending		% of Budget	Notes	Budget Amount Remaining
Capital Improvement Projects	CIP 25	7,873,871		3,534,086		44.88%		4,339,785
Extra Ordinary O&M	EO&M 26	5,472,571		648,096		11.84%		4,824,475
Operate & Maintain DMC	S/F 02	4,949,705		1,616,434		32.66%		3,333,271
Operate & Maintain Wasteways	S/F 04	110,124		51,985		47.21%		58,139
Mendota Pool	S/F 05	113,822		42,709		37.52%		71,112
Operate & Maintain JPP	S/F 11	2,857,101		836,292		29.27%		2,020,809
Intertie Maintenance	S/F 12	177,142	A	33,163		18.72%		143,979
Volta Wells Pumping	S/F 13	30,685		215		0.70%		30,470
Operate & Maintain O'Neill	S/F 19	1,454,425		676,794		46.53%		777,630
Maintain Tracy Fish Facility	USBR 30	26,631		50,578		189.92%		(23,947)
Operate & Maintain San Luis Drain	S/F 41	134,634		34,970		25.97%		99,664
Maintain Delta Cross Channel	USBR 44	38,000		-		0.00%		38,000
Safety Equipment Training	50	6,230		45		0.72%		6,185
Warehousing	52	200,018		70,492		35.24%		129,526
Tracy Field Office Expense	54	512,595		128,546		25.08%		384,049
Direct Administrative/General Expense	56	1,969,018		742,404		37.70%		1,226,614
Indirect O & M LBAO Admin.	58	2,524,780		677,964		26.85%		1,846,816
TOTAL		28,451,353		9,155,146		32.18%		19,296,206
Total from Self-Funding - page 2		14,206,256		4,745,607		33.41%		9,460,649
Total from USBR - page 3		168,884		87,231		51.65%		81,653
Total from Special Projects - page 4		-		22,675				(22,675)
Total from EO&M		14,076,212		4,299,634		30.55%		9,776,578
Totals		28,451,353		9,155,146				19,296,206
YTD %				33.33%				

A Does NOT include DWR Wheeling

San Luis & Delta-Mendota Water Authority
DMC WITH CIP / E O & M With Indirect Allocated
Budget to Actual Paid/Pending Comparison Summary
March 1, 2021 through June 30, 2021

FAC 8/2/21 & BOD 8/5/21

		Actual Paid/Pending Expense	% Direct Labor to Total Labor	Allocated Indirect Based on Direct Labor %	Total Expense Direct & Indirect
Operate & Maintain DMC	S/F 02	1,616,434	44.38%	718,646	2,335,081 *
Operate & Maintain Wasteways	S/F 04	51,985	1.66%	26,819	78,803 *
Mendota Pool	S/F 05	42,709	0.16%	2,573	45,282 *
Operate & Maintain Jones Pumping Pl	S/F 11	836,292	22.97%	371,967	1,208,260 *
Intertie Maintenance	S/F 12	33,163	1.06%	17,099	50,262 *
Intertie DWR Conveyance	S/F 12	-			- *
Volta Wells Pumping	S/F 13	215	0.01%	112	327 *
Operate & Maintain O'Neill	S/F 19	676,794	18.44%	298,572	975,366 *
Maintain Tracy Fish Facility	USBR 30	50,578	1.29%	20,961	71,539
Operate & Maintain San Luis Drain	S/F 41	34,970	1.07%	17,255	52,225 *
CIP	25	3,534,086	3.76%	60,934	3,595,020
EO&M & Scada Project	26	648,096	3.49%	56,518	704,614
SPECIAL PROJECTS	XX		1.40%	22,675	22,675
Safety Equipment Training	50	45			
Warehousing	52	70,492		1,619,451	9,155,146
Tracy Field Office Expense	54	128,546			
Direct Administrative/General Expense	56	742,404			
Indirect Administrative/General Expense	57	-			(4,299,634) less CIP&EO&M
Indirect O & M LBAO Admin.	58	677,964			(87,231) less USBR Facilities
Total Indirect to be Allocated			1,619,451		(22,675) less Special Projects
TOTAL		9,155,146			4,745,607 *SLDMWA O&M Costs
		includes intertie DWR conveyance			



August 5, 2021

To: Pablo Arroyave, Chief Operating Officer

From: Bob Martin, Facilities O&M Director

Subject: O&M Report for July 2021

Operations Department

The C.W. "Bill" Jones Pumping Plant (JPP) operated at one unit for the entire month of July. Single-point CVP/SWP Delta exports from the JPP continued from June 17th through July 15th. The average rate of pumping for the JPP, through July 29th, was 794 cfs for the month.

Total pumping for the month through July 29th at the JPP was 45,691 acre-feet. The O'Neill Pump/Generating Plant (OPP) generated 96,401 acre-feet through July 29th, and no water was pumped. Due to the single Delta diversion point for the CVP and SWP, 6,777 acre-feet was pumped at the Delta-Mendota Canal/California Aqueduct Intertie Plant (DCI) and 0 acre-feet was reversed from the California Aqueduct to the DMC.

The Federal share in San Luis Reservoir on July 29th was 42,469 acre-feet as compared to 209,407 acre-feet on June 29th, 2020. This amount includes 50,000 acre-feet that the CVP borrowed from the SWP.

During the month of June, releases from Friant Dam ranged from 245 to 275 cfs with no flows entering the Mendota Pool. Flows past the Mendota Dam for the San Joaquin River Restoration Program were zero for the month of July.

Canal Operations staff members performed open channel and closed-pipe flow measurements, routine patrols and flow meter moss removal, bi-weekly meter readings, water samples, well soundings, and meter maintenance during the month of July. Staff also conducted flow study testing at Milepost 115.90 and SJR river flow testing with USBR at Millerton. The DMC Meter Replacement Project continued during the month of July with replacement meters being installed on the upper portion of the DMC.

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

- Tracy 13.8 kV switchgear building UZ11A placed grounds
- JPP Unit 2; annual maintenance
- JPP Unit 1 & 2; suction elbow entry
- JPP Unit 4; RTD investigation
- JPP Unit 2; accumulator PM

Civil Maintenance Department

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

- Moss removal from turnout trash racks and flow meters
- DMC erosion repair at Milepost 115.59
- Grading and repair of DMC, SLD, and Wasteway operating roads
- Repair DMC Meter Well Lids Hwy 33 and Marshall Road
- LBFO minor facility repairs
- Fabrication of trash racks for MP 81.08 & 80.08 and delivery to TFO for painting
- Haul generator to TFO for use at Tracy Fish Collection Facility
- Haul OPP Unit 3 pump casing taper section from Tracy to OPP for installation
- Haul JPP Unit 1 armature from Unico Machine (Benicia, CA) to JPP for installation
- Assisted with OPP Unit 3 repairs
- TFO compound minor maintenance
- Install speed bumps at TFO Warehouse Loading Dock area
- Chemical and mechanical weed control on DMC and SLD
- Grade embankment for new access steps at MP 42.02, 44.22, 45.20, & 56.82
- Installation of stairs and handrails to DMC turnout gates and meters
- Maintenance and repairs to float lines, signs, fences, guard rails and gates
- Maintain bait stations along DMC
- Cleaning of DMC drain inlets
- Garbage collection on DMC and Wasteways

Plant Maintenance Department

Electrical/C&I Staff:

- DCI loss of power investigation
- JPP monorail trash rake replacement
- JPP protective relay upgrades
- JPP sewer system PMs
- UZ3A/UZ4A feeder removal
- JPP penstock flowmeter repair
- JPP plant lighting repairs
- Provide support for data collection related to DMC subsidence correction effort
- JPP monorail trash rake replacement
- DCI O&M inspections repairs
- Troubleshoot JPP butterfly valve compressed air system dryer
- JPP west bank CO₂ fire system alarm investigation
- JPP Unit 2 annual maintenance
- JPP Unit 4 thrust bearing temperature alarm troubleshooting
- TFO water treatment plant chlorine pump troubleshooting

Mechanical Staff:

- JPP Unit 1 Rewind: Assist contractor with crane support, sand blast and paint components
- JPP Unit 1 exciter transportation
- JPP sandblast & paint facility air conditioning repairs
- OPP Unit 3 fabricate miscellaneous repair parts. Blast and paint components
- JPP Unit 2 annual maintenance
- Modify transportation bracket for JPP Unit 1 cooling fan

USBR Support Services

Water Authority crews performed the following work at USBR facilities for the month of June:

- Repair to TFCF unwatering pumps and check valve
- Repair and supply parts for debris sweep arm
- Repair to TFCF monorail trash rake
- Coordination regarding electric panel PMs

Engineering Department

The Engineering staff worked on the following projects during the month of July:

- JPP Unit 1 rewind project
- JPP Unit 4 rewind project
- JPP Unit 1 thrust bearing inspection and repairs
- JPP Unit 1 armature machining contract
- JPP switchgear buildings relay settings update
- JPP Excitation slip ring brush holder upgrade to constant pressure type
- Anode replacement projects for OPP
- DMC Subsidence Correction Project
 - Geotechnical exploration project management
 - Management and compilation of USBR requested data
 - Cooperative Agreement development
- DMC MP115.90 flowmeter evaluation
- Upper DMC communication upgrades
- OPP Unit 3 repairs, including taper tube weld repairs and blade tip inspections
- USBR RO&M exam
- DMC PLC upgrade
- Data management of well readings.
- DMC structures list maintenance
- OPP Penstock Cathodic Protection System Replacement
- TFCF secondary channel equipment support
- Warren Act hydrographs
- Coordination with SGMA group for historical information data transfer
- FY2023 EO&M Budget planning and estimates
- OPP oil tanks disposal
- OPP electrical drawings update
- JPP industrial water settling basin repair

Land Management Activity Summary

The Engineering staff issued the following access permit during the month of July:

- Access permit P2202011 issued to Westside Huling Association to temporarily stockpile almonds during the processing season on the Westley Wasteway

The Engineering staff were involved with the following land management projects during the month of July:

- Review and comment of 30% plans for Orestimba Creek Recharge
- Review and comment on SLD pipe crossing to Los Banos WTP
- City of Patterson Black Gulch Creek culvert inspection
- Costco Annexation Project, Tracy, CA
- PG&E pipeline relocation at MP92.73

Safety Department

The Safety Department worked on the following items this month:

- Conduct new hire safety orientation for new employee.
- Provided Job Hazard Analysis support for the crews.
- Conduct Weekly Safety Tailgate talks with maintenance and operations crews.
- Sent out Weekly Safety Tailgate Topics – 7-1 Fire Prevention, 7-2 Silica Dust Safety, 7-3 Lead Safety, 7-4 Asbestos Safety
- Provided safety message for July Monthly Newsletter – Leave fireworks to the experts.
- Collected and sent dielectric rubber gloves to testing facility for semi-annual testing requirement.
- Provided critical lift and PRCS rescue standby support for OPP Unit 3 repair.

Work & Asset Management Department

The Work & Asset Management Department worked on the following items this month:

EAM/Financial Software Replacement Project

- End users continue entering data for Accounts Receivable, Accounts Payable, creating service orders, entering timesheets, creating and approving purchase orders and processing inventory, both receiving, checkouts & bin transfers.
- WAM Manager, WAM staff and end users finished testing of vendor credits for inventory and non-inventory items and WAM manager developing SOP's for vendor bill credits.
- WAM manager, Inventory Clerk and management continue testing various inventory procedures and brainstorming for best solutions for inventory check-out issues
- The implementation team continues testing various processes in NetSuite, including role comparison and adjustments, developing searches and reports to assist the end users. The most recent end-user training in June went successful and we will plan for another one in August.
- The implementation team continues supporting the end users as they work through their daily work processes and continues working with the NetSuite, Shepherd, and PyanGo teams to fine-tune the system.
- Management and staff working on asset management in Shepherd and Preventive Maintenance procedures.
- The implementation team selected Affirma as our additional support vendor to evaluate and provide solutions/support for our outstanding issues. Agreement is executed and we have begun working on our item list.

Contracts/PO Agreements/LOA's in Process and Executed

- PO1462 Issued for Workplace Threat and Violence Training- \$5,995.00
- F22-OPP-049, Amendment executed for scaffolding extending time for completion and adding additional funds- Total amendment \$5353.75
- PO1367 Issued for DHR Hydro task 5 of PSE Contract dated 6/29
- F22-OPP-056, PO1492 Issued for additional work/repairs needed
- PO1625 Existing flow meter system update-Accusonic, in progress- \$55,918
- F22-OPP-059, OPP Main Transformer Rehabilitation solicitation process in progress- Estimated release date September, 2021
- F22-DMC-058, Chipseal solicitation in progress, bids due 8/11

Ongoing:

- Purchasing in support of the O&M crews, to maintain warehouse stock, and locate & purchase disinfecting supplies & protective gear to continue our compliance with COVID-19 protocols
- Warehouse receiving, stocking, and distribution
- Fleet and property management
- NetSuite WAM invoicing/vendor bills/vendor credits
- Janitorial cleaning & disinfecting per COVID-19 guidelines
- Contract management/administration activities, including bi-weekly contract update meetings with WAM and Engineering Staff
- Developing/implementing purchasing/procurement and asset/inventory procedures/boilerplate templates
- Respond to emails/phone calls assisting various departmental staff as needed, as well as outside agencies and vendors
- Bi-weekly WAM staff meetings to discuss updates/issues
- Contract invoice payment reviews, invoice disputes as needed, invoice payments

Information Technology Department

The Information Technology Department worked on the following items this month:

- NetSuite
 - Online training, user and administration
 - Weekly Implementation Team meetings
 - Selected vendor for NetSuite support
- Continuing support for our “Work at Home” users
- Assist with FAC, WRC and BOD meetings with Zoom
- Desktop support calls.
- Email server upgrade preparations- vendor SOW
 - Hardware requirements and quotes
- Planning for server refresh
- Planning for laptop refresh
- Planning process to evaluate upgrading/replacing copiers
- Document Management – research, demonstration, revised quote request
- Additional document management vendors for demo and quotes
- Started development of updated companywide cyber-security training and awareness
 - Selected 9 training videos for all staff and management to view
- Research hybrid Zoom for August BOD, and FAC recommendation
- Upgraded Symantec anti-virus management console, pushed new version to users
- Install WiFi access point in warehouse office.
- Research security camera options for warehouse personnel to monitor gates

Human Resources Department

The Human Resources Department worked on the following items this month:

General Administrative Activities:

- Recruitments:
 - Heavy Equipment Operator, Tracy (continued recruitment)
 - SCADA Engineer
 - Interviewing
 - Jr. Civil Engineer
 - Interviews, candidate selected (offer accepted). Start date 8/23/21
 - Maintenance Worker
 - Clearance received. Employment start date: 7/12/21
 - O&M Manager
 - HR Coordinator
- Background checks for PIV cards (continuing)
- New OSHA Regulations as it pertains to COVID – update IIPP

Trainings/ Conferences:

- Remain up to date with webinars to ensure compliance with new legislation as it pertains to COVID-19
- Harassment Prevention Training (staff being scheduled for bi-annual training)

Government Reporting:

- Merced County Public Health COVID Reporting
- Veterans 4212 Report (due 9/2021)
- EEO-4 reporting (deadline 10/2021)

Ongoing:

- FMLA notices/follow ups
- COBRA notices/follow ups
- Worker's Comp follow ups
- Monthly safety points distribution
- Health benefits eligibility/employee assistance
- Maintain OSHA logs for calendar year
- Wellness program

EXTRAORDINARY O&M & CAPITAL PROJECTS

DELTA-MENDOTA CANAL (DMC)

Bridge Abutment Repair at MP 92.73

Status: Project is on hold. The 6-inch pipe owned by PG&E that crosses under the bridge, adjacent to the abutment, is the main transmission line for the City of Dos Palos. All parties have agreed that it would be a safety hazard to conduct work with the gas line in place. SLDMWA & Reclamation prepared and mailed an official letter of non-compliance to PG&E on February 22. PG&E has reached out to the Authority and informed us that they are moving forward the design of the relocation. PG&E, USBR and WA staff met to discuss the potential alternatives and plan the next steps. All parties agreed on a plan to remove the existing pipeline from the bridge and HDD install a new pipeline under the canal. PG&E will coordinate with their consultant to begin preliminary design for WA review. Coordination efforts are ongoing; however, the bridge project shall remain on hold until gas line has been realigned.

DMC Subsidence Correction Project

Status: SLDMWA executed a \$817k Professional Services Agreement with Terracon on May 6th for the Phase 1 Geotechnical Exploration work after receiving board approval at the May board meeting. Fieldwork is complete, and Terracon is currently running laboratory tests on the soil samples. The draft report is scheduled to be delivered on August 3rd and project completion estimated at the end of August.

The SLDMWA is currently working with Reclamation on a Cooperative Agreement to allow the transfer of funds to the Authority. The scope of the Agreement encompasses preliminary work necessary prior to final design. The scope includes the current Geotechnical work being performed by Terracon, Cultural Records search, Congressional Feasibility Report, Environmental Compliance, and labor associated with managing the contracts and participating in the USBR DEC Review. Agreement is scheduled to be executed by 9/15/21.

Reclamation approved the pump submittal for the supply contract for the two additional pumps at the DMC/CA Intertie Pumping Plant (DCI). The installation of the government furnished items will be completed by Unico Services. Unico is scheduled to mobilize to DCI on September 27, 2021.

DMC Turnout Flowmeter Upgrade Program – Phase 2

Status: Phase 1 is complete. Phase 2 has started with the collection of current meter measurements. The SLDMWA will be pursuing a sole source purchase of the same type of McCrometer meters that were purchased in Phase 1.

DMC O&M Road Maintenance Program, Phase 1 of 10

Status: The DMC O&M Roadway Maintenance (Chipseal) Invitation for Bid contract was advertised and sent out to vendors on July 26, 2021. A mandatory pre-bid meeting is scheduled for Monday August 2, 2021 at 9:00 am at the Tracy Field Office in Bryon, CA. All bids are due back by August 11, 2021 before 2:00 pm in the Tracy Field Office. The job will be completed by October 1, 2021.

EXTRAORDINARY O&M & CAPITAL PROJECTS

C.W. "BILL" JONES PUMPING PLANT (JPP)

JPP Excitation Cabinet & Control Panel Refurbishment (FY2018 Project)

Status: Site visit completed in March by USBR Denver Office staff to evaluate the installation plans for the project. The 90% design is scheduled to be completed late August.

JPP Unit No. 5 Rewind

Status: Project is complete. The final invoice has been approved by Reclamation and partial payment was received in July. The final balance will be paid to the Authority in October.

JPP Unit No. 1 Rewind

Status: The stator core laminations have been installed and tested. The new ring bus is installed and tested, and the new windings are currently being installed. Water Authority and Reclamation engineers are evaluating excessive wear on the thrust shoes that was discovered during the unit disassembly and are developing a repair plan.

JPP Unit No. 4 Rewind

Status: Due to steel shortages and price increases in Europe, the Water Authority issued the Notice to Proceed and initial payment for the Unit 4 Rewind in June (early) to secure materials and ensure the project remained on schedule. Materials have been secured and no delays are expected with the Unit 4 rewind.

JPP/OPP/DCI Fire Protection Systems Assessment

Status: No activity this month. Water Authority awarded a contract to FRA to perform a systems assessment in January 2021. The site surveys and exchange of documents are complete. Draft reports for each facility have been reviewed and sent to FRA for revisions.

JPP Wear Ring Purchase

Status: No activity this month.

O'NEILL PUMPING/GENERATING PLANT (OPP)

Main Transformers Rehabilitation/Replacement Project

Status: SLDMWA continued with the review of the specifications and cost estimates. Also worked on project description and justification for the request of additional budget based on updated cost estimates. Continued to provide as-built conditions to TSC.

Arc Flash Hazard Analysis, Facility Rating, & Protective Relays Reviews (Electrical Equipment Periodic Reviews)

Status: Report drafts are expected by the end of September from TSC. Provided additional info to the load list to TSC.

EXTRAORDINARY O&M & CAPITAL PROJECTS

Pump Bowl Modification (Design and USBR Approval)

Status: No activity this month.

Penstock Cathodic Protection System Replacement

Status: Letter of Agreement (LOA) has been executed with USBR Tracy Office for USBR Denver staff to review the design provided by JDH. TSC completed their review of the design and provided the SLDMWA with a list of questions and comments. SLDMWA is working with JDH on satisfying their comments. Upon approval of the design, a construction contract will be pursued.

UPS Battery Charging System Replacement

Status: No activity this month.

TRACY FACILITIES (TFO)

TFO Domestic Water Treatment Plant Replacement

Status: No activity this month. Engineering review of the water treatment plant data has begun. A topographic drawing was prepared to address the flooding issue of the existing treatment building and will include underground utility coordination. Underground utilities have been drawn up and drainage improvements will be designed in the next month.

MULTIPLE FACILITIES: TFO/ LBFO/ DCI

Arc Flash Hazard Analysis

Status: The Arc Flash Hazard Analysis is tentatively scheduled in June 2022.



**San Luis & Delta-Mendota Water Authority
OPERATIONS SUMMARY**

NOTE: ALL FIGURES ARE IN ACRE FEET

	June-2021	June-2020
JONES PUMPING PLANT - PUMPED	36,349	153,776
DCI PLANT - PUMPED	4,946	1,427
DCI PLANT - RETURNED	7,091	0
O'NEILL P/G PLANT - PUMPED	0	16,895
O'NEILL P/G PLANT - GENERATED	88,690	17,667
DMC DELIVERIES	32,185	41,600
RIVER/WELL/RECYCLE WATER INTO DMC	9,542	9,318
MENDOTA POOL DELIVERIES	89,621	112,177
SHASTA RESERVOIR STORAGE	1,745,900	3,147,200
SAN LUIS RESERVOIR STORAGE	667,845	1,069,908
SLR FEDERAL SHARE	132,481	274,969

	June-2021	June-2020
SAN LUIS UNIT DELIVERIES	50,843	99,173
SAN LUIS UNIT WELL WATER	0	0
SAN FELIPE UNIT DELIVERIES	8,372	11,244

Jones Pumping Plant monthly average = 829 cfs



San Luis & Delta-Mendota Water Authority
Monthly Deliveries
June 2021

<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	36,349			
Total Pumped @ DCI	(4,946)			
Total Reversed @ DCI	7,091			
City of Tracy		0	533	533
Byron Bethany I.D.		689	4	693
West Side I.D.		0	0	0
Banta Carbona I.D.		0	0	0
West Stanislaus I.D.		2,116	0	2,116
Patterson I.D.		130	0	130
Del Puerto W.D.		6,812	0	6,812
Central California I.D. - above check #13		3,196	0	3,196
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)		0	0	0
Total Pumped @ O'Neill PP	0			
Total Generated @ O'Neill PP	88,690			
Central California I.D. - below check #13		14,624	0	14,624
Grasslands W.D. (76.05-L)		45	0	45
Fish & Game Los Banos Refuge (76.05-L)		347	0	347
Fish & Wildlife Kesterson (76.05-L)		0	0	0
Freitas Unit (76.05-L)		8	0	8
Salt Slough Unit (76.05-L)		51	0	51
China Island (76.05-L)		207	0	207
San Luis W.D. - below check #13		821	1	822
Panoche W.D.		20	2	22
Eagle Field W.D.		15	0	15
Oro Loma W.D.		0	0	0
Mercy Springs W.D.		0	0	0
Firebaugh Canal W.D. (D.M.C.)		2,564	0	2,564
River and Groundwater well pump-in	4,965			
North Valley Regional Recycled Water Program	2,127			
Change in Canal Storage	251			
Wasteway Flushing and Spill	0			
Total Available in Delta-Mendota Canal	134,527			
TOTAL DELIVERY FROM DELTA-MENDOTA CANAL	(32,185)	31,645	540	32,185
Theoretical DMC Delivery to Mendota Pool	102,342			
Total DMC Metered Delivery to MP	93,717			
Estimated (Loss) or Gain in DMC	(8,625)			
Estimated % Loss or Gain in DMC	-6.88%			



San Luis & Delta-Mendota Water Authority
Monthly Deliveries
June 2021

<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	93,717			
Mendota Pool Groundwater Well Pump-In	7,784			
(+)SJRR Releases into Mendota Pool	514			
(+) San Joaquin Flood Releases into Mendota Pool	0			
(+)Kings River Flood Releases into the Mendota Pool	0			
<u>Mendota Pool Delivery Information</u>				
<u>Exchange Contractors:</u>				
Central California Irrigation District (CCID)		40,866	0	40,866
Columbia Canal Company (CCC)		6,581	0	6,581
Firebaugh Canal Water District (FCWD)		3,594	0	3,594
San Luis Canal Company (SLCC)		20,484	0	20,484
<u>Refuge:</u>				
Conveyance Losses		114	0	114
Calif Dept of F/G-LB Unit (CCID)		116	0	116
Calif Dept of F/G-LB Unit (SLCC)		0	0	0
Calif Dept of F/G-Salt Slough Unit (CCID)		17	0	17
Calif Dept of F/G-China Island Unit (CCID)		69	0	69
US Fish & Wildlife-San Luis Refuge (SLCC)		3,400	0	3,400
US Fish & Wildlife-Freitas (CCID)		2	0	2
US Fish & Wildlife-Kesterson (CCID)		0	0	0
Grasslands WD (CCID)		15	0	15
Grasslands WD (SLCC)		63	0	63
Grasslands (Private)		0	0	0
San Luis WD Conveyance (CCID)		72	0	72
Del Puerto WD Conveyance (CCID)		0	0	0
<u>San Joaquin River Restoration:</u>				
SJRR		506	0	506
<u>Other:</u> (see MP Operations Report)		13,722	0	13,722
<i>Total Available Water in Mendota Pool</i>	102,015			
TOTAL DELIVERY FROM MENDOTA POOL	(89,621)	89,621	0	89,621
*Estimated (Loss) or Gain in Mendota Pool	(12,394)			
*Estimated % Loss or Gain in Mendota Pool	-12.15%			
Total System Delivery	(121,806)			
*Total Estimated System (Loss) or Gain	(21,019)			
*Total Estimated % System Loss or Gain	-14.43%			

Special Notes: Extra water sent into the Mendota Pool to raise elevation for operational needs due to the Mowry bridge construction. Also excess water from Mendota Pool wells.



Jones Pumping Plant
June - 2021

Date	# OF UNITS	TIME ON/OFF	AVG DAILY CFS
1	1	CONTINUOUSLY	801
2	1	CONTINUOUSLY	800
3	1	CONTINUOUSLY	799
4	1	CONTINUOUSLY	798
5	1	CONTINUOUSLY	801
6	1	CONTINUOUSLY	798
7	1	CONTINUOUSLY	804
8	1	CONTINUOUSLY	800
9	1	CONTINUOUSLY	799
10	0 to 1	1200	413
11	0	CONTINUOUSLY	0
12	0	CONTINUOUSLY	0
13	0	CONTINUOUSLY	0
14	0	CONTINUOUSLY	0
15	0	CONTINUOUSLY	0
16	0	CONTINUOUSLY	0
17	Various	Various, due to CT testing	487
18	Various	Various, due to CT testing	536
19	1	CONTINUOUSLY	801
20	1	CONTINUOUSLY	806
21	1	CONTINUOUSLY	808
22	1	CONTINUOUSLY	808
23	1	CONTINUOUSLY	809
24	1	CONTINUOUSLY	809
25	1	CONTINUOUSLY	809
26	1	CONTINUOUSLY	810
27	1	CONTINUOUSLY	811
28	1	CONTINUOUSLY	810
29	1	CONTINUOUSLY	806
30	1	CONTINUOUSLY	805
31			
AVG CFS for the month			611



NON-PROJECT WATER CREDITS REPORT

(ALL FIGURES IN ACRE FEET)

June 2021 WA Credits

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	4,763	5,465	1	0	BBID	702	(35)	667	3,013
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	2,102	2,240	1	0	BBID	138	(7)	131	238
20.42-L	30,707,055	31,478,409	1	0	BCID	2,367	(118)	2,249	9,765
20.42-L	30,707,055	31,478,409	1	0	USB/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	2,218	2,218	1.04	0	DPWD	0	0	0	46
29.95-R	1,321	1,321	0.87	0	DPWD	0	0	0	31
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	1,918	1,920	1.03	(2)	DPWD	0	0	0	0
31.31-L1	57,145	57,473	1	0	WSTAN	328	(16)	312	3,924
31.31-L2	57,145	57,473	1	0	DPWD	0	0	0	0
31.31-L3	57,145	57,473	1	0	PID	0	0	0	0
31.60-L	8,183	8,183	0.93	0	DPWD	0	0	0	0
32.35-L	1,794	1,794	0.86	0	DPWD	0	0	0	0
33.71-L	748	748	0.94	0	DPWD	0	0	0	0
36.80-L	1,844	1,845	1	(1)	DPWD	0	0	0	0
37.10-L	3,325	3,354	0.94	0	DPWD	27	(1)	26	54
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	6,059,098	6,084,439	1	0	PID	582	(29)	553	5,739
42.53-L	6,059,098	6,084,439	1	0	DPWD	0	0	0	0
42.53-L	6,059,098	6,084,439	1	0	USB/FWA	0	0	0	0
43.22-L	55	55	1	0	DPWD	0	0	0	0
48.97-L	1,663	1,815	0.95	0	SLWD	144	(7)	137	622
50.46-L	4,325	4,437	1.07	0	DPWD	120	(6)	114	332
51.00-R	296	296	0.89	0	DPWD	0	0	0	0
51.66-L	373	431	0.98	0	DPWD	57	(3)	54	87
52.40-L	1,331	1,331	0.94	0	DPWD	0	0	0	0
58.28-L	2,448	2,552	1.02	0	SLWD	106	(5)	101	371
58.60-L	917	917	0.96	0	DPWD	0	0	0	0
58.73-R	428	430	1	0	DPWD	2	0	2	23
64.85-L	1,662	1,662	0.72	0	DPWD	0	0	0	0
UPPER DMC SUB TOTAL								4,346	24,245



NON-PROJECT WATER CREDITS REPORT

(ALL FIGURES IN ACRE FEET)

June 2021 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	5,265	5,363	0.91	0	SLWD	89	(4)	85	362
79.13-L	129	150	1	0	SLWD	21	(1)	20	212
79.13-R	4,675	4,706	1.08	18	SLWD	51	(3)	48	121
79.60-L	1,980	2,305	0.84	0	SLWD	273	(14)	259	1,014
80.03-L	636	636	0.94	0	SLWD	0	0	0	181
80.03-R	698	711	1.05	0	SLWD	14	(1)	13	50
98.60-R	10,803	10,808	1	(5)	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	1,793	1,997	1	0	WIDREN WD	204	(10)	194	382
LOWER DMC SUB TOTAL								619	2,322
WARREN ACT CONTRACT CREDIT TOTAL								4,965	26,567
TOTAL GROSS PUMP-IN								CREDIT	
TOTAL (BYRON BETHANY IRRIGATION DISTRICT)						138		131	238
TOTAL (BANTA CARBONA IRRIGATION DISTRICT)						0		0	0
TOTAL (DEL PUERTO WATER DISTRICT)						206		196	573
TOTAL (WEST STANISLAUS IRRIGATION DISTRICT)						0		0	2,942
TOTAL (PATTERSON IRRIGATION DISTRICT)						582		553	5,739
TOTAL (SAN LUIS WATER DISTRICT)						698		663	2,933
TOTAL (PANOCH/MS WATER DISTRICT)						0		0	0
TOTAL (MERCY SPRINGS WATER DISTRICT)						0		0	0
TOTAL (WIDREN WATER DISTRICT)						204		194	382
Other Warren Act Conveyance Credit Totals									
Del Puerto Water District:						0		0	0
Banta Carbona Irrigation District:						2,367		2,249	9,765
West Stanislaus Irrigation District:						328		312	982
Byron Bethany Irrigation District:						702		667	3,013
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

2021

ALL FIGURES IN ACRE-FEET

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
FCWD	0	0	0	0	0	0							0
CCID	0	0	0	0	0	0							0
FRESNO SLOUGH	0	37	32	58	98	192							417
TPUD	0	0	0	20	9	26							55
JAMES I.D.	0	0	0	0	554	5,246							5,800
MEYERS	11	127	52	88	92	193							563
M.L. DUDLEY & INDART ₁	87	10	110	239	376	443							1,265
MID VALLEY* (Kings River)	0	0	0	0	0	0							0
REC. DIST. 1606	0	0	0	91	47	72							210
STATE FISH & WILDLIFE	1,838	1,212	474	314	224	854							4,916
TRACTION	786	424	173	131	297	403							2,214
UNMETERED	80	100	30	10	15	220							455
Total	2,704	1,736	677	455	536	1,477							7,585
COELHO FAMILY TRUST ₂	198	195	211	796	877	1,028							3,305
TRANQUILITY I.D.	0	1,214	1,281	2,107	3,376	4,753							12,731
WESTLANDS LATERAL-6	0	0	0	0	9	61							70
WESTLANDS LATERAL-7	0	36	0	110	107	132							385
CARVALHO TRUST	0	4	36	71	97	99							307
TOTAL	3,000	3,359	2,399	4,035	6,178	13,722	0	0	0	0	0	0	32,693

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

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

Article 215 Water

Kings River Water

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

Duck Clubs (Percent Full)

Jan, 2021
DMC Inflow 15,988 AF
James Bypass Flows 0 AF

Feb, 2021
DMC Inflow 31,224 AF
James Bypass Flows 0 AF

Mar, 2021
DMC Inflow 33,042 AF
James Bypass Flows 0 AF

Apr, 2021
DMC Inflow 43,005 AF
James Bypass Flows 0 AF

May, 2021
DMC Inflow 73,092 AF
James Bypass Flows 0 AF

June, 2021
DMC Inflow 93,717 A.F
James Bypass Flows 0 AF

July, 2021
DMC Inflow AF
James Bypass Flows AF

Aug, 2021
DMC Inflow AF
James Bypass Flows 0 AF

Sept, 2021
DMC Inflow AF
James Bypass Flows 0 AF

Oct, 2021
DMC Inflow AF
James Bypass Flows 0 AF

Nov, 2021
DMC Inflow AF
James Bypass Flows 0 AF

Dec, 2021
DMC Inflow AF
James Bypass Flows 0 AF



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

2 aka COELHO-GARDNER-HANSEN

[illegible]

TABLE 19: GOVERNOR EDMUND G. BROWN CALIFORNIA AQUEDUCT
SAN LUIS FIELD DIVISION MONTHLY DELIVERIES

APRIL 2021

REACH TOTALS	POOL	INFLOW INTO AQUEDUCT	CUSTOMERS	AMOUNT IN AF
R3A 8704			Parks & Rec. @ San Luis Reservoir	1
			Santa Clara Valley Water District	8275
			Casa de Fruta (Santa Clara Valley Water District)	0
			San Benito Water District	428
R3 505	13		DFG @ O'Neill Forebay	65
	13		Parks & Rec. @ O'Neill Forebay	0
	13		DWR Water Truck at O'Neill 1 AF for Cattle Program @ O'Neill Forebay	1
	13		San Luis Water District	439
R4 9827	14		City of Dos Palos	81
	14		Pacheco Water District	574
	14		San Luis Water District	2374
	14		Panoche Water District	53
	15		San Luis Water District	1693
	15		Panoche Water District	1908
	15		Westlands Water District	3144
R5 10220	16		DFG @ Lat. 4L (Pilibos)	9
	16		DFG @ Lat. 4L	18
	16		DFG @ Lat. 6L	0
	16		DFG @ Lat. 7L	0
	16		Westlands Water District	3960
	17		Westlands Water District	1017
	18		City of Coalinga	417
	18		Pleasant Valley Pumping Plant	2570
	18		Westlands Water District	2229
R6 2934	19		Alta Gas	0
	19		City of Huron (P&R-Area 11) @ Lat. 22R	2
	19		DWR Water Truck @ 22R/F&G @ Lat.22R	0
	19		Lemoore N.A.S. thru WWD 29L & 30L	151
	19		Kings County thru WWD 30L	0
	19		Westlands Water District	2781
2627	20		City of Huron @ Lat. 23R	78
	20		Kings County thru WWD 31L,32L,33L,34L,35L,36L	0
	20		Westlands Water District	1425
	21		City of Avenal	173
	21		Kings County thru WWD 37L,38L	0
	21		Westlands Water District	951
34817		0	<---TOTALS--->	34817
TOTALS BY CUSTOMERS				
			Pacheco Water District	574
			San Luis Water District	4506
			Panoche Water District	1961
			Westlands Water District	18077
			AltaGas	0
			City of Huron @ LAT. 23R	78
			City of Huron (P&R/Area 11 @ 22R)	2
			Lemoore N.A.S. thru WWD @ 29L & 30L	151
			Kings County thru WWD Laterals in Pools 19 - 21	0
			City of Avenal	173
			City of Dos Palos	81
			City of Coalinga	417
			DFG @ O'Neill Forebay	65
			Pacheco Tunnel	8703
			DFG @ Lateral 4L & 6L & 7L	27
			DWR Water Truck @ 22R/F&G @ Lat.22R	0
			Parks & Recreation	1
			0 AF for DWR Water Truck at O'Neill, 1 AF for Cattle Program @ O'Neill Reservoir	1
Customers Total:				34817
Pool 12 - Reach 2B VA Turnout Use AF = 30				
DWR 3137(Rev.9/15)				34847



Monthly Availability Report

O'Neill Pump/Generating Plant

June - 2021

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts		Comments
							Pump	Gen	
Unit-1	720	0.0	0.00%	0.0	0.00%	100.00%	0	1	
Unit-2	720	0.0	0.00%	0.0	0.00%	100.00%	0	0	
Unit-3	720	0.0	0.00%	720.0	100.00%	0.00%	0	0	Spead Head/Distributor Rod repair
Unit-4	720	0.0	0.00%	0.0	0.00%	100.00%	0	0	
Unit-5	720	0.0	0.00%	0.0	0.00%	100.00%	0	0	
Unit-6	720	0.0	0.00%	0.0	0.00%	100.00%	0	1	
Total	4320	0.0	0%	720.0	16.67%	83.33%	0	2	

Notes:

(1) Planned maintenance

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



Monthly Availability Report

CW "Bill" Jones Pumping Plant

June - 2021

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts	Comments
							Pump	
Unit-1	720	720.0	100.00%	0.0	0.00%	0.00%	0	
Unit-2	720	0.0	0.00%	0.0	0.00%	100.00%	0	
Unit-3	720	416.0	57.78%	0.0	0.00%	42.22%	2	1) CT Upgrade
Unit-4	720	13.0	1.81%	12.1	1.68%	96.51%	5	1) Exciter Maintenance 2) Unit failure to start
Unit-5	720	247.4	34.36%	0.0	0.00%	65.64%	2	1) CT Upgrade, Exciter Fan alignment
Unit-6	720	0.0	0.00%	0.0	0.00%	100.00%	4	
Total	4320	1396.4	32%	12.1	0.28%	67.72%	13	

Notes:

(1) Planned maintenance

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



Monthly Availability Report

DCI Pumping Plant

June - 2021

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts	Comments
							Pump	
Unit-1	720	0.0	0.00%	5.6	0.78%	99.22%	2	2) WAPA 69kV outage
Unit-2	720	0.0	0.00%	101.8	14.14%	85.86%	5	2) WAPA 69kV outage, Failed run hour timer
Unit-5	720	0.0	0.00%	5.3	0.74%	99.26%	8	2) WAPA 69kV outage
Unit-6	720	0.0	0.00%	28.4	3.94%	96.06%	3	2) WAPA 69kV outage
Total	2880	0.0	0%	141.1	4.90%	95.10%	18	

Notes:

(1) Planned maintenance

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



STAFF MEMORANDUM

TO: Board Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: August 5, 2021

RE: Update on Science Program

SUMMARY

The San Luis & Delta-Mendota Water Authority's ("Water Authority") current science commitments for Fiscal Year 22 (March 1, 2021 – February 28, 2022) may be considered in three categories. First, the Water Authority re-budgeted \$245,252 in the current budget to fund eight activities and/or studies previously authorized to be funded. Second, the Water Authority began the year with approximately \$4,628 in funds remaining from the State and Federal Contractors Water Agency ("SFCWA") to fund one study initially authorized by SFCWA and transferred to the Water Authority for funding and management. Third, the Water Authority has budgeted \$450,000 in the current budget for science studies. More detail regarding the various science commitments is provided below. In total, the Water Authority started the current fiscal year with approximately \$924,089 available to fund science, of which \$644,089 has been obligated.

1. Previous Commitments - \$245,252 in FY 22 Budget

Subject	Description of Work / Objective(s)	FY 22 Budget
Delta Coordination Group Summer Fall Habitat Action Structured Decision Making Facilitation Support	Funds support facilitation and assistance with Delta Coordination Group Structured Decision Making for Delta Coordination Group recommendations to Reclamation and DWR related to Summer Fall Habitat Actions in the Biological Opinions and State Incidental Take Permit	\$21,000
Joint Funding of Delta Smelt Structured Decision Making Phase 3	This funding would support management and technical analyses required to conduct Phase 3 for the CSAMP Delta Smelt Structure Decision Making (SDM) project. Technical analyses would include modeling and the application of other analytical tools to evaluate the consequences of proposed management actions for Delta Smelt as well as the evaluation of potential consequences to other resource values including water supply and	\$30,000

	agriculture. Phase 3 is scheduled to occur from September 2020 to September 2021.	
Joint Funding for Hanson Environmental as CAMT Technical Support	This funding would support continued CAMT participation by Dr. Charles Hanson through a contract with the State Water Contractors. Dr. Hanson assists in the development of various workplans and products, including Charters, presentations, whitepapers, and other materials to support collaborative science.	\$30,000
Development of eDNA monitoring tool for detection of Delta Smelt	Goal to develop an accepted eDNA monitoring tool for species detection in tidally mixed aquatic ecosystems in the Delta, and to advance eDNA aquatic monitoring towards a state-of-science that can be applied in the context of scientific, policy, and regulatory decision-making	\$63,000
Sacramento-San Joaquin Delta Fallowing Pilot Evapotranspiration Monitoring Program	Study between April 1, 2018 and September 30, 2018 of consumptive use on between 2,000 and 4,000 acres in the legal Delta during the 2018 irrigation season. Goal to identify a method of reliable measurement of the reduction in consumptive use associated with temporary crop idling on lands within the legal Delta.	\$7,000
Interior Delta Export Effects Study	<p>Study of specific data gaps related to export operation effects on juveniles salmonids. Goal to fill information gaps on juvenile salmonid survival in the south Delta to update salmonid loss models, optimize survival for salmonids near salvage facilities, and support water reliability through enhanced coordinated operations.</p> <p>Last year, the Study didn't receive its anticipated Proposition 1 grant to go to scale, so Authority funding provided for the study to continue and provide capacity for a grant application for the recent Proposition 1 grant funding notification, which was recently awarded.</p>	\$25,000
Delta Smelt Incidental Take Limit Research	Funds support the evaluation of differences in salvage between pre- and post-BiOp conditions and the determination of how much variance in salvage can be explained by each of the predictor variables. Support provided to ICF Jones & Stokes, Inc., through a cost share with SWC.	\$14,252
CAMT Facilitation	Funds support facilitation and assistance with CAMT and CSAMP meetings. Main contracts with Essex Partnership (Bruce DiGennaro) and Hansen Environmental (Chuck Hansen) held by SWC.	\$55,000

2. SFCWA-Funded Studies Being Managed by the Water Authority - \$4,628 Remaining

Subject	Description of Work / Objective(s)	SFCWA Funds Remaining
Measuring Impact of Control of yellow Starthistle in the Northern Sac. Valley and Superior California on Watershed Runoff and Groundwater Levels	Study of the water benefits of yellow Starthistle (YST) control. If there appears to be replicable water supply benefit from YST removal, will prepare plan of recommended YST removal in California that results in increased runoff and/or improved groundwater levels.	\$4,628

3. New Science - \$450,000 in FY 22 Budget

Subject	Description of Work / Objective(s)	FY 22 Budget
Science Studies/Efforts		\$450,000
None Approved to date	None approved to date	--

FUTURE SCIENCE PROGRAM DIRECTION

The recently released federal Biological Opinions require annual scientific review of the Reasonable and Prudent Measures scientific panel review in years 4 and 8 of the implementation of the Biological Opinions.

It is anticipated that increased engagement on scientific studies to prepare sufficient scientific bodies of knowledge on the adaptive management provisions of the new biological opinions will be necessary from public water agencies in order to adequately prepare for the 4- and 8-year scientific review of the implementation of the new Biological Opinions. Staff is coordinating with CSAMP/CAMT, as well as Reclamation, NOAA Fisheries and U.S. FWS to determine anticipated annual scientific investments necessary to prepare for the scientific panels.

Authority staff is planning to focus on key areas for the 2021 and future budgets, in order to assist in the development of a more coordinated science strategy between public water agencies and state and federal agencies who fund the scientific enterprise. Specifically, these recommended areas are:

- Technical Support for Authority Engagement in Regulatory Processes
- Steelhead Monitoring and Protection
- Delta Smelt Structured Decision Making Scientific Expertise
- CSAMP/CAMT Support
- Delta Coordination Group Support
- Development of Voluntary Agreement Science Plan

- Permit Streamlining

Technical Support for Authority Engagement in Regulatory Processes

The Authority has need of additional biological expertise to provide comments and a higher level of engagement with regulatory entities, including the State Water Resources Control Board, NOAA Fisheries, the U.S. Fish and Wildlife Service, California Department of Fish and Wildlife and others. Specifically, Authority staff is proposing to issue an RFQ for scientific and biological support services and to establish contracting authority with a number of consultants for on-demand services centered on the areas of expertise of the respective consultant and staffing availability.

Steelhead Monitoring and Protection

The status of steelhead population trends continues to pose a threat to water supply reliability for south-of-Delta Central Valley Project contractors. Significant data gaps exist in the scientific body of knowledge regarding steelhead, including a method for estimating population levels and continued support of the I/E ratio in state level regulatory proposals. Steelhead species receive less funding than other scientific research, indicating an opportunity where the Authority could add value to the scientific enterprise. Specifically, there is a need for better data analysis and synthesis for steelhead.

Delta Smelt Structured Decision Making Scientific Expertise

Compass Resources, who manages the Delta Smelt Structured Decision Making process, has identified a need for a biologist for biological resource support, including literature searches that would better inform the SDM process. The Authority and the State Water Contractors are jointly funding this expertise.

CSAMP/CAMT Support

The Authority has remained engaged in CSAMP/CAMT and has jointly funded facilitation support, technical support and scientific studies related to management actions associated with project operations.

Delta Coordination Group Support

Authority staff is a member of the Delta Coordination Group (DCG), a group formed this year pursuant to Reclamation's Proposed Action and the Incidental Take Permit for the Coordinated Operations of the Central Valley Project and State Water Project. The DCG is charged with providing recommendations to Reclamation/DWR pertaining to Summer-Fall Habitat Actions for delta smelt.

Development of Voluntary Agreement Science Plan

The Authority has previously funded facilitation of the Governance, Science and Adaptive Management Working Group and staff is proposing to continue that commitment through contributing funds for the development of the Science Plan for implementation of the Voluntary Agreements.



MEMORANDUM

TO: SLDMWA Board of Directors, Alternates

FROM: John Brodie, Water Resource Programs Manager
Joe McGahan, Regional Drainage/Westside Watershed Coalition Coordinator

DATE: August 5, 2021

RE: Activity Agreements – Staff Report for July 2021

This memorandum serves as the Staff Report for July 2021 regarding specified¹ Water Authority activities not separately addressed on the Board meeting agenda.

1. Integrated Regional Water Management (IRWM) Activity Summary

San Joaquin River Funding Area (SJRSA)

Work continues on the SJRSA Proposition 1 Disadvantaged Community Involvement Program (DACIP) grant. Grant administrator Contra Costa Water District is seeking an amendment to the grant agreement that will include a time extension. SLDMWA is the local project sponsor for the City of Newman's Newman Environmental Wetlands System (NEWS) project. It is on schedule for completion within the budget and the July 2022 deadline.

Work is underway on all projects for the Proposition 1 Round 1 IRWM Implementation grant for the Westside-San Joaquin (WSJ) IRWM Region. The agreement was recently amended to fully incorporate the Broadview Aquifer Storage and Recovery Project led by Westlands Water District. The grant is administered through SLDMWA and includes funding for four projects within the SJRSA and one project within the Tulare-Kern Funding Area.

Tulare-Kern Funding Area (TKFA)

The City of Huron Groundwater Supply Well and Recharge Project is constructing new groundwater and monitoring wells for the City of Huron, a designated disadvantaged community (DAC). Drilling for the new wells should be completed by the end of this month. The supply well will generate approximately 766 acre-feet annually, more than 50% of Huron's drinking water demands, thereby reducing the community's need to purchase water.

¹ For the sake of completeness, this includes those Activity Agreements that have been approved by the Board of Directors, but not yet signed by all interested members and/or participants (i.e., the Los Vaqueros Expansion Project Activity Agreement, the Exchange Contractors 2019-2023 Transfer Program Activity Agreement, and the Westside-San Joaquin Integrated Regional Water Management Activity Agreement).

General Westside-San Joaquin Integrated Regional Water Management Plan (IRWMP)

The IRWM Roundtable of Regions (ROR), a statewide IRWM information and advocacy group, continues its efforts to have IRWM-specific funding language placed in budget trailer bills that are pending in the legislature. Some regional water management groups say they must have funding to maintain IRWM operations. The ROR reports the state has set aside \$560 million for drought relief and related projects.

2. Sustainable Groundwater Management Activity (SGMA) Activity Summary

Northern and Central Delta-Mendota Regions

The Northern and Central Management Committees held their regular joint meeting in late July. The Management Committees discussed the approaching deadline for water quality monitoring, which closes at the end of August. They directed staff to review draft Groundwater Sustainability Plans (GSPs) for the Tracy and Turlock Subbasins, which have yet to be adopted and are currently accepting public comments. Review of these neighboring GSPs will focus on monitoring networks along the subbasins' shared boundaries.

General SGMA Activities

A fourth inter-basin coordination meeting is scheduled for tomorrow, August 6th. The inter-basin coordination process is conducted through the Subbasin's Facilitation Support Services (FSS) program, which provides support for inter-basin coordination efforts through a program with DWR and facilitators from Stantec. Representatives from the Delta-Mendota Subbasin and peers from the Chowchilla, Madera, and Merced Subbasins will try to come to agreement on a proposed regional subsidence priority area and proposals/actions to avoid undesirable results.

SLDMWA staff continues to work with the consultant conducting the Delta-Mendota Subbasin Subsidence Characterization and Project Feasibility Study. Activities for this project are being paid for by a Proposition 68 SGMA Implementation grant. The consultant continues to focus on data collection, including data on critical infrastructure that could be damaged by additional subsidence as identified by individual GSP groups.

Individual chapters of GSPs are available for comment in two neighboring subbasins. The Tracy Subbasin will hold a final public meeting on its draft GSP on August 10. Turlock Subbasin is accepting comments on drafts of GSP chapters 1, 2, and 4 until September 1. SLDMWA staff and consultants are analyzing the drafts for possible comments by Delta-Mendota Subbasin GSP groups.

This is the final month to complete water quality monitoring as required under SGMA regulations. The deadline for collection at representative monitoring sites in the Subbasin is August 31. All monitoring sites are set to be monitored prior to DWR's deadline.

Staff participated in informational workshops and webinars including the Water Blueprint for the San Joaquin Valley, an analysis of flood managed recharge in nut crops, a 30x30 workshop on protecting biodiversity, and the Mid San Joaquin Regional Flood Management Plan stakeholder group.

3. Drainage Activity Summary

Grassland Basin Drainage Management Steering Committee Activity Summary

Threat to Fish Report – The GBD are required to submit a report on July 31, 2021 under Section 13267 of the California Water Code that would include all data available on fish tissue sampling since the beginning of the Grassland Bypass Project since 1996. The request focuses on selenium and was in part triggered by deformed split tail found at the federal pumps in 2011. Coordination calls were held with consultants. The report was finalized for submission on July 30.

Mud Slough Mitigation Project – the project to restore Mud Slough (north) flows to the Newman Lake north of Highway 140 is ongoing. The CEQA Initial Study was circulated for public comment in late June. Once the public comments are reviewed and addresses the Authority will be asked to approve the project likely in September, 2021. After CEQA approval permits will be submitted to the State Water Resources Control Board, the Corps of Engineers and the California Department of Fish and Wildlife. CEQA documents were published at the State Clearinghouse, Merced County, and Authority website and through mailings for public release date of June 30 with comments due July 30. Follow up was provided to entities requesting documents.

Other ongoing activities – continue to review GBD invoices, manage storm flow activities, prepare annual monitoring reports, support for ongoing litigation and data management and management of the Third Party Group for the Grassland Drainage Area Coalition to implement the Irrigated Lands Regulatory Program. Work includes participation in activities for groundwater protection values.

Proceed development of installation of monitoring wells and other operational installation for Grassland Bypass Project.

Follow up on PCFFA lawsuit issues. Participate in conference calls and prepare summary data. Research data and prepare response.

San Joaquin Valley Drainage Authority Activity Summary

Continue management of the Westside San Joaquin River Watershed Coalition to comply with the Irrigated Lands Regulatory Program. Follow up calls and emails were answered to assist farmers in completing their paperwork requirements. Manage field monitoring program and provide update of the management plan to the Regional Board. Review invoices from consultants and prepare letters to admin staff. Continue to update membership database. Organize and make presentation to outreach meetings for surface and groundwater management plan. Host meetings at Westley and Los Banos. Assist grower members in completing the required reporting forms and self-certification requirements. Enter farmer evaluation and nitrogen summary reports into coalition database.

Participate in group conference calls regarding surface and groundwater management plans, groundwater protection formulas and the CVSalts prioritization and optimization studies.

Memo to SLDMWA Board of Directors

August 5, 2021

Page **4** of **4**

Participate in Central Valley Groundwater Monitoring Collaborative conference calls. Participate in Regional Board quarterly conference calls.

Begin planning for development of Management Zone implementation. Manage ongoing monitoring. Revise the QAPP for the monitoring program.

Management continued for the Prop 84 Real Time Management Program Grant for compliance with the San Joaquin River Salt and Boron TMDL. Follow up and direct field work in northerly stations. Organize and lead July SJVDA Board meeting. Develop materials for August Board meeting.

San Luis & Delta-Mendota Water Authority
Procurement Activity Report
From July 7, 2021 to July 29, 2021

Date Executed	Contract Title	Vendor or Service Provider	Contract Amount	Contract Solicitation Type	Contract Type	Funding Source	Notes
NOTE: NO CONTRACTS WERE AWARDED UNDER THE AUTHORITY'S INFORMAL BIDDING, FORMAL BIDDING, OR SINGLE-SOURCE PROCEDURES DURING THIS REPORT PERIOD							
CONTRACT CHANGE ORDER NOTIFICATIONS:							
Date Executed	Contract Title	Vendor or Service Provider	Change Order Amount	Original Contract Amount	% Change	Justification	
7/19/2021	Scaffolding Erection/Dismantle & Rental	Brand Scaffold Services	\$ 5,353.75	\$ 16,646.25	32.16%	Original rental period was changed from 60 days to 220 days due to repair work identified in the OPP Unit 3 assessment. The daily rental rate was not changed.	

This Procurement Activity Report is intended to satisfy the requirements in the San Luis & Delta-Mendota Water Authority's Consolidated Procurement Policy that the Board be notified of all contracts awarded under informal and formal bidding procedures and single-source procedures, as well as certain change orders, promptly following award.



MEMORANDUM

TO: SLDMWA Finance & Administration Committee, Board of Directors, Alternates

FROM: Pablo Arroyave, Chief Operating Officer
Stewart Davis, Information Technology Officer

DATE: August 2, 2021

RE: Plan for Remote Public Viewing and/or Participating in Committee and Board Meetings, Related Options regarding Purchase of Professional Video Conference Equipment

BACKGROUND

With the expectation that Authority Committee and Board meetings will resume in person, unless the Governor's Executive Order (N-09-21) is rescinded or modified, and given interest in both resuming meetings in person and in allowing access from remote locations, staff has been researching options for remote public viewing and participation. Specifically, staff has explored solutions to accommodate both in person and remote scenarios while providing an acceptable combination of video and audio access.

ISSUE FOR DECISION

Whether the Finance & Administration Committee should recommend, and the Board should adopt, a plan for remote public viewing and/or participating in Committee and Board meetings that includes purchase of an audio and video conference room solution or maintain the same arrangement that existed prior to the pandemic.

Option 1: Under this option, there would be no change to the arrangement that occurred before the pandemic. Therefore, the Authority would revert back to in-person meetings with a call in number option for members of the public.

Options 2: Under these options, the Authority would purchase and deploy a specific audio and video conference solution.

RECOMMENDATION

Staff recommends Option 2 (purchase of an audio and video conference room solution) assuming both in person and remote access are desired. Based on the below described evaluation, staff recommends the Owl Labs Pro configuration with dual microphones. In our review, while the Logitech Rally Plus and Poly G7500 systems would also perform well, the cost of the systems is significantly more.

ANALYSIS

The Water Authority routinely hosts committee and Board meetings in the conference room at 842 6th street and in the past has allowed participation in person and by a telephone conference bridge. With the creation of web hosted SaaS video conferencing services and the need for remote participation during the COVID-19 pandemic, staff tested several options including Webex, Logmein, Blue Jeans, and Zoom. Ultimately, the Authority has utilized Zoom for remote meetings.

Purchasing an appropriate system will help modernize the Authority's main conference room to allow for both in person and remote access to hosted Zoom meetings and to keep the high quality video and sound.

Authority staff has researched and evaluated a number of different solutions to create the best possible "hybrid" Zoom experience for now and into the near future. Systems researched and evaluated are:

1. Owl Labs Pro
2. Logitech Rally Plus
3. Poly G7500
4. Pana Cool Pro
5. Kandao Pro
6. Jabra Panacast

NOTE: Systems 4-6 above were eliminated from further consideration because they are not compatible with large conference spaces with many participants.

1. Owl Labs Pro

360-degree camera, mic, and speaker combined into one easy-to-use device. It creates the experience of in-person participation for hybrid teams and integrates with the conferencing platforms including Zoom. Owl support suggests two units synchronized together to accommodate our room and up to 20 people. However, because the potential of additional ambient noise and the potential for "sidebar" conversations, we will be required to only use the built in microphones and the built in speakers which will limit the distances that the microphones can pick up and the speakers can broadcast.

*For the best overall participant experience, all options would require three high resolution 60-inch screens mounted with two mounted on the front and one mounted on the back wall. The cost for the three screens would be approximately \$4,800 which is included in the below estimate.

Estimated cost: \$7,100.00

<https://owllabs.com/products/meeting-owl-pro>

2. Logitech Rally Plus

GROUP video conferencing solution for rooms that seat 14–20 people, delivers high quality HD video and crystal clear audio, allowing any meeting place to be a video conferencing space. It includes advanced features like acoustic echo cancellation, noise reduction technology and intuitive controls. PTZ camera has a 90- degree view that can be mounted on wall or tabletop. Staff would need to mount on wall to attain proper field of site. Not optimized for Zoom, Teams or other SaaS solutions.

Modular video conferencing system for large rooms. Customizable for large rooms of virtually any size or shape. Brilliant optics up to 5x optical zoom, digitally enhanced to 15x total zoom. Base system includes; two Rally Speakers and two Rally Mic Pods, (extensible up to seven), ensure every voice is clear and heard by all participants. Camera would be mounted on wall and provide a 260h and 190V degree view of all participants at table. Two versions are available. One is a customized preconfigured solution that comes with a dedicated computer and iPad to run a specific conference room SaaS solution like Zoom. The computer is locked down and would be difficult to load different versions of SaaS like Teams or others.

*For the best overall participant experience, all options would require three high resolution 60-inch screens mounted with two mounted on the front and one mounted on the back wall. The cost for the three screens would be approximately \$4,800 which is included in the below estimate.

Option 1: \$8,700.00 to \$10,400.00 depending on all optional equipment required.

The second option is to purchase base model add the optional SWYTCH, up to 5 additional Mic Pods, Mounting Kit and misc. cables. Optional Mic Pod Hub would allow more flexibility to place microphones on conference table for more accurate and clear audio. Optional Mic Pod mounts to allow fixed mic locations in ceiling or table and hide mic cables.

*For the best overall participant experience, all options would require three high resolution 60-inch screens mounted with two mounted on the front and one mounted on the back wall. The cost for the three screens would be approximately \$4,800 which is included in the below estimate.

Option 2: \$10,000.00 plus tax and misc. cables (not including optional mic hubs or mounts)

<https://www.logitech.com/en-us/products/video-conferencing/room-solutions/rally-ultra-hd-conferencecam.html>

3. Poly G7500

Video conferencing and content sharing solution for medium and large conference rooms. Ultra HD 4K. Anyone can share wirelessly from their own device. Easy wireless content sharing for every meeting. Content annotation and digital white-boarding built in. Streamlined cabling and robust APIs make it ideal for integrated rooms and customized environments. This is one of the top of the line and most robust modular solutions available with capability to add additional cameras almost anywhere in

the room along with patented microphones and microphone arrays to allow the system to more accurately focus on the participant speaking or multiple speakers simultaneously. Poly G7500 conferencing Kit with EagleEye PTZ camera.

*For the best overall participant experience, all options would require three high resolution 60-inch screens mounted with two mounted on the front and one mounted on the back wall. The cost for the three screens would be approximately \$4,800 which is included in the below estimate.

Estimated cost: \$12,500.00 plus tax and misc. cables.

<https://www.cdwg.com/product/poly-g7500-video-conferencing-kit-with-eagleeye-iv-12x-camera/5618269?pfm=srh>

NOTE: Both the Logitech and the Poly solutions will work with the existing overhead projector with some modifications to screen location due to camera mounting requirements. In addition, a permanent, higher end system may be desired at some future time. Such a system could cost between \$20,000-\$35,000.

BUDGET

Although the cost associated with Option 2 ranges from \$7,100 to approximately \$12,500.00), the current FY2022 O&M budget contains adequate funds for this purchase.

ATTACHMENTS

1. Product brochures
 - a. Logitech Zoom Rooms PDF
 - b. Poly Solutions for Zoom PDF
 - c. Poly Video Family Overview PDF
2. Vendors without Downloadable Documents- Links provided



PC

DATA SHEET

LOGITECH ROOM SOLUTIONS FOR ZOOM

Transform any space into a Zoom Room with one-touch join, wired and wireless content sharing, and center-of-room control with Tap. Logitech® room solutions are available in small, medium, or large configurations with accessories to suit each space.

PRE-CONFIGURED VIDEO CONFERENCING FOR MEETING ROOMS

Logitech Room Solutions for Zoom include everything you need to build out meeting rooms of virtually any size or shape—a mini PC, a PC mount, an Ultra-HD Logitech conferencecam with RightSense™ technologies, and the Logitech Tap touch controller. Plus, device management has never been easier through the Zoom Dashboard or Logitech Sync.

Systems arrive neatly packaged and ready for secure installation. With premium components, clever cabling, and flexible mounting, Logitech room solutions make it easy to deploy Zoom rooms throughout the workplace.

PC-BASED SOLUTIONS FOR EVERY ROOM



SMALL

The small room configuration with Logitech Rally Bar Mini¹ delivers superior audio and video in a compact, all-in-one form factor. Clean cabling and flexible mounting options allow you to confidently deploy at scale.

¹Also available with MeetUp



MEDIUM

Experience brilliant optics and room-filling audio with the medium room configuration with Logitech Rally Bar², an all-in-one video bar purpose-built for midsize rooms. Mount neatly to the display or wall, or stand on a credenza.

²Also available with Rally



LARGE

Enjoy maximum flexibility with Logitech Rally Plus for large rooms, a premium conferencecam that pairs an Ultra-HD PTZ camera with modular audio that scales to support a wide range of large room sizes and layouts.

FEATURED COMPONENTS



LOGITECH RALLY BAR MINI

Premier all-in-one video bar for small rooms, in graphite or white

Motorized pan and tilt lens provides expansive room coverage

Ultra-low distortion speakers deliver crystal clear sound

AI Viewfinder for enhanced RightSight™ auto-framing and people count

Add up to two Rally Mic Pods to extend audio coverage



LOGITECH RALLY BAR

All-in-one video bar for midsize rooms, in graphite or white

Lossless image quality up to 5X optical zoom, digitally enhanced to 15X total zoom

Large, ultra-low distortion speakers for room-filling sound

AI Viewfinder for enhanced RightSight™ auto-framing and people count

Add up to three Rally Mic Pods to extend audio coverage



LOGITECH RALLY PLUS

Modular video conferencing system for large rooms

Customizable for large rooms of virtually any size or shape

Brilliant optics up to 5X optical zoom, digitally enhanced to 15X total zoom

Two Rally Speakers and two Rally Mic Pods (extensible up to seven) ensure every voice is clearly heard

LOGITECH TAP

Touch controller for room solutions

- Responsive 10.1" touch screen
- Commercial-grade cabling and cable management
- Supports both wired and wireless DirectShare content sharing

Optional Table and Riser mounts add convenience and rotate 180° for easy viewing. Or, add a Wall Mount to save space in small and multipurpose rooms.



OTHER COMPONENTS



MINI PC

Small footprint compute of choice from a variety of partners. Zoom-approved.



PC MOUNT

Secure PC and cables to walls and beneath tables with integrated cable retention.



RALLY MOUNTING KIT (FOR RALLY PLUS)

Includes wall mounts for the camera and both speakers, plus mounts with cable retention for the display and table hubs. Included with the large room configuration.



RALLY MIC POD HUB

Connect up to three Rally Mic Pods for hub-and-spoke layouts and to minimize cabling. Included with the large room configuration.

ACCESSORIES



TV MOUNT FOR VIDEO BARS

Float Rally Bar Mini or Rally Bar above or below the room's display.



WALL MOUNT FOR VIDEO BARS

Mount Rally Bar Mini or Rally Bar on the wall for minimal footprint.



RALLY MIC POD

Expand audio coverage and provide convenient access to mute controls. Compatible with Rally Bar Mini, Rally Bar, and the Rally System. Available in graphite or white.



RALLY MIC POD MOUNT

Hide cables and anchor mics on the table or ceiling for a clean, finished look. Available in graphite or white.



LOGITECH SWYTCH

Use the AV equipment in your Zoom Room with any meeting, webinar, or streaming application.

- Adds multi-vendor compatibility to any Logitech room solution
- Connects to laptops via USB A or C, no HDMI cable required
- Hideaway components with just one visible cable for a clean look and intuitive user experience

TECH SPECS



Room Size	SMALL ROOM	MEDIUM ROOM	LARGE ROOM
Conference Camera	Logitech Rally Bar Mini	Logitech Rally Bar	Logitech Rally Plus
Logitech Tap Touch Controller	✓	✓	✓
PC Mount	✓	✓	✓
Zoom-Approved Mini PC	✓	✓	✓
Windows 10 IOT Enterprise	✓	✓	✓
Rally Mounting Kit			✓
Rally Mic Pod Hub			✓
Optional Accessories	Tap Table Mount Tap Riser Mount Tap Wall Mount TV Mount for Video Bars Wall Mount for Video Bars Rally Mic Pod (up to 2 total) Rally Mic Pod Hub Rally Mic Pod Mount Rally Mic Pod Extension Cable Swytch	Tap Table Mount Tap Riser Mount Tap Wall Mount TV Mount for Video Bars Wall Mount for Video Bars Rally Mic Pod (up to 3 total) Rally Mic Pod Hub Rally Mic Pod Mount Rally Mic Pod Extension Cable Swytch	Tap Table Mount Tap Riser Mount Tap Wall Mount Rally Mic Pod (up to 7 total) Rally Mic Pod Hub Rally Mic Pod Mount Rally Mic Pod Extension Cable Swytch
Support Resources	Printed Setup Guide Logitech Support Services		
Warranty	2 year limited hardware warranty Additional one year extended warranty can be purchased at the time of hardware purchase. Contact your reseller for availability.		

PRODUCT INFORMATION

Logitech Room Solutions for Zoom:
www.logitech.com/zoom-rooms-pc

Logitech Rally Bar Mini:
www.logitech.com/rallybarmini

Logitech Swytch:
www.logitech.com/swytch

Logitech Tap:
www.logitech.com/tap

Logitech Rally Bar:
www.logitech.com/rallybar

RightSense Technologies:
www.logitech.com/rightsense

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www.logitech.com/rally

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**ELEVATE THE ZOOM
EXPERIENCE END-TO-END**



POLY AND ZOOM - THE DYNAMIC DUO OF HAPPINESS.

Poly creates premium audio and video products so you can have your best Zoom meeting — anywhere, anytime, every time. Our headsets, video and audio conferencing products, desk phones, analytics software and services are beautifully designed and engineered to connect people with incredible clarity. And work simply and flexibly with Zoom, creating a one-stop shop for all your organization's personal and group collaboration device needs. With Poly, the Zoom Rooms, Zoom Meetings and Zoom Phone experiences are better than ever.

OUR VALUE TO OUR CUSTOMERS AND PARTNERS

- **Business leaders**—Poly and Zoom bring you and your teams more ways to improve communication and collaboration, and thus improve productivity.
- **IT managers**—Poly devices are easy-to-install and manage—built with Zoom in mind.
- **Business partners**—Today's Poly and Zoom users are on the go and at their desks. Our global support team helps them wherever they are.

- **Poly Services** ensures the best experience throughout your journey. From planning and design, implementation and in-life support Poly services will accelerate your route to happiness.

BEST ZOOM EXPERIENCE—END TO END

- Poly is the only vendor to offer Zoom certified devices across Zoom Rooms, Zoom Phone, and Zoom Personal Workspace.
- Wherever you interact with the Zoom video platform, Poly outfits you with beautifully designed and engineered audio and video products.
- Purpose-built solutions for Zoom Rooms help you get up and running in minutes.
- Poly desk, conference and speaker phones are certified for Zoom Phone—elevating the audio conferencing experience for every Zoom Phone user.
- Poly headsets deliver focused audio—so you can command the conversation with confidence in Zoom Meetings and on Zoom Phone calls.



POLY SOLUTIONS FOR ZOOM ROOMS

Next-generation room solutions from Poly, certified for Zoom Rooms, bring together every powerful idea, every human emotion, and every spark of genius. For your most critical conversations, nothing beats Poly and Zoom.

FOR PERSONAL WORKSPACES AND HUDDLE SPACES

Poly Studio P5 is a professional webcam to ensure you look your best on video calls at home, in the office, or wherever you're working.

Poly Studio P15 personal video bar gives you everything to look and sound your best on video calls in one sleek device.

The Poly Studio P21 personal meeting display delivers a complete video conferencing experience with a single USB connection to your PC or Mac so it can be used seamlessly with the Zoom.

Poly Studio is a premium USB video bar certified for Zoom Rooms.

FOR SMALL/MEDIUM SPACES

Poly Studio X30 not only works great in huddle spaces, this incredibly simple video bar with Zoom Rooms is ideal for small and medium rooms with up to six participants.

Poly Studio X50 is a radically simple video bar certified for Zoom Rooms—specially designed for medium rooms with up to ten participants. Dual monitor support offers great flexibility and our next gen microphones clearly pick up all voices in the room.

FOR LARGE SPACES

Poly G7500 is a flexible video-conferencing and content-sharing solution certified for Zoom Rooms.



Poly Studio P5



Poly Studio P15



Poly Studio P21



Poly Studio



Poly Studio X30



Poly Studio X50



Poly G7500

POLY SOLUTIONS FOR ZOOM PHONE AND ZOOM MEETINGS

Zoom Meetings for desktop and mobile provides the tools to make every meeting a great one. Poly headsets and speakerphones are compatible with Zoom and bring enterprise-quality audio across all your communication devices.

BLUETOOTH AND WIRELESS HEADSETS

Enable rich audio connections, no matter where mobile professionals are.

Voyager 8200 UC



Voyager Focus UC



Voyager Focus 2



Voyager 6200 UC



Voyager 5200 UC



BLUETOOTH AND CORDED HEADSETS

Help block distractions, specifically in open offices where noise can be nonstop.

Savi 8200 Office and UC



Blackwire 8225



Blackwire 7225



Blackwire 5200 Series



Voyager 4200 Office and UC



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Poly Sync 40



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**POLY STUDIO****POLY STUDIO X30****POLY STUDIO X50****G7500**

IDEAL FOR	Huddle rooms that need to connect to multiple Video-as-a-Service (VaaS) platforms over USB	Huddle rooms that need an all-in-one video solution	Small to mid-size rooms that need all-in-one video conferencing	Larger rooms or spaces that need customized experiences
USB CONNECTION TO PC OR MAC FOR VIDEO CALLS	✓	✓	✓	✓
ALL-IN-ONE VIDEO BAR		✓	✓	
CUSTOMIZABLE VIDEO SOLUTION WITH FLEXIBLE CAMERA AND MICROPHONE OPTIONS				✓
4K ULTRA HD VIDEO SUPPORT	YES	YES	YES	YES
NOISE REDUCTION TECHNOLOGY	NoiseBlockAI	NoiseBlockAI	NoiseBlockAI	NoiseBlockAI
MICROPHONE PICKUP RANGE	Up to 12 ft. /3.6 m	Up to 15 ft. /4.5 m	Up to 25 ft. /7.6 m	Depends on number of mics
EXPANSION MICROPHONES AVAILABLE	YES	NO	YES	YES
SPEAKERS	Dual stereo	Single mono	Dual stereo	Not included
4K CAMERA WITH AUTOMATIC FRAMING AND TRACKING	YES	YES	YES	Yes (depending on camera)
POLY TC8 AVAILABLE FOR EASY TOUCH CONTROL	N/A (control from PC/Mac)	YES	YES	YES
NUMBER OF SUPPORTED DISPLAYS	N/A (depends on PC/Mac)	1	2	2
NATIVE ZOOM ROOMS EXPERIENCE	Through PC/Mac	Built-in	Built-in	Built-in
MICROSOFT TEAMS VIDEO	Through PC/Mac	Built-in	Built-in	Through optional RealConnect Service
STANDARDS-BASED (H.323 AND SIP) VIDEO	Through PC/Mac	Built-in	Built-in	Built-in



MEMORANDUM

TO: SLDMWA Board of Directors, Alternates

FROM: Frances Mizuno, Special Projects Administrator

DATE: August 5, 2021

RE: Resolution Authorizing Execution of the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement and Los Vaqueros Reservoir Joint Exercise of Powers Agreement, and Authorizing Actions Related Thereto

BACKGROUND

The Los Vaqueros Reservoir Expansion Project (LVE) includes expansion of the Los Vaqueros Reservoir from its current capacity of 160 TAF to 275 TAF, construction of a pipeline between CCWD's Transfer Pump Station and the State Water Project's California Aqueduct at Bethany Reservoir (the "Transfer-Bethany Pipeline"), upgrades to the existing Transfer Pump Station Facilities, and construction of the Neroly High Lift Station.

The potential benefits from the LVE Project include the operational flexibility to Reclamation to move CVP water south of Delta, conveyance and storage of water purchased through water transfers, and storage of rescheduled and/or transfer water for CVP contractors and Level IV Refuge Water for Grasslands Water District.

The Water Authority on December 12, 2011 entered into a Memorandum of Understanding (MOU) regarding CalFed Bay-Delta Program Studies on the expansion of LVE with Contra Costa Water District (CCWD) and other water agencies. Since the Water Authority's participation in the MOU, individual member agencies (Byron-Bethany Irrigation District, Del Puerto Water District, Grassland Water District, San Luis Water District, Santa Clara Valley Water District, and Westlands Water District) also entered into the MOU to seek potential storage/conveyance benefits directly for their respective districts.

On April 1, 2019, Byron Bethany Irrigation District, Del Puerto Water District, Panoche Water District and Westlands Water District entered into the San Luis & Delta-Mendota Water Authority Los Vaqueros Reservoir Expansion Project Activity Agreement to participate in the LVE Cost Share Agreement for LVE Project Planning.

An Amendment No 1 of the LVE Cost Share Agreement was executed on June 22, 2019 to extend the termination date to December 30, 2020. Amendment 2 was executed on December 2, 2020 to add additional scope of work and increase the funding cost. Amendment No. 3 is scheduled to be executed in August, 2021 to further increase the scope of work and cost by \$5,956,055 with Activity Agreement Members' share of \$850,865. Amendment 3 shall terminate once the new Los Vaqueros Reservoir Joint Powers Authority (LVR JPA) is operating.

Over the past year, Local Agency Partners (LAPs) have worked on the development of the new LVR JPA to govern the implementation of the Phase 2 Los Vaqueros Reservoir Project, including by drafting the Los Vaqueros Reservoir Joint Exercise of Powers Agreement (JPA Agreement). The LAPs are expected to execute the JPA Agreement by mid-September.¹ Since the current LVE Activity Agreement is for the purpose of participating in the LVE Cost Share Agreement, the Activity Agreement participants wish to amend the LVE Activity Agreement to incorporate participation in the LVR JPA. In addition, under the LVR JPA, the Board will be required to appoint an Authority representative and alternate to serve of the LVE JPA Board of Directors.

ISSUE FOR DECISION

Whether the Water Authority should adopt the proposed Resolution Authorizing Execution of the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement and Los Vaqueros Reservoir Joint Exercise of Powers Agreement, and Authorizing Actions Related Thereto.

RECOMMENDATION

Staff recommends the Board adopt the proposed Resolution Authorizing Execution of the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement and Los Vaqueros Reservoir Joint Exercise of Powers Agreement, and Authorizing Actions Related Thereto, including the appointment of Anthea Hansen as the Water Authority's LVR JPA Director and Jose Gutierrez as the alternate.

ANALYSIS

Current LVE Activity Agreement Members Byron Bethany Irrigation District, Del Puerto Water District, Panoche Water District, and Westlands Water District have expressed desire to participate in the LVR JPA through the amended and restated LVE Activity Agreement. The City

¹ The LAPs include expected to join the LVR JPA as members include: (1) Alameda County Flood Control & Water Conservation District, Zone 7; (2) Alameda County Water District; (3) Contra Costa Water District (to include City of Brentwood); (4) East Bay Municipal Utility District; (5) Grassland Water District; (6) Santa Clara Valley Water District; (6) San Francisco Public Utilities Commission (to include Bay Area Water Supply & Conservation Agency); and (7) San Luis & Delta-Mendota Water Authority. The Department of Water Resources will also be an ex officio, non-voting member.

of Tracy has also indicated interest in participating through the Water Authority, but any action to admit the City of Tracy to the Activity Agreement will occur at a later date.

Upon adoption of the resolution, the Executive Director would execute the First Amended and Restated Activity Agreement. Then, following execution by the four above-named Activity Agreement Members, the Water Authority would be authorized to execute the JPA Agreement and notify the LVR JPA of the appointment of Ms. Hansen and Mr. Gutierrez as the Water Authority's representatives.

Execution of the First Amended and Restated Activity Agreement and the JPA Agreement does not legally bind or otherwise commit the Water Authority or the Activity Agreement Members to participate in or otherwise proceed with the LVE Project. The Water Authority and the LVR JPA will comply with the California Environmental Quality Act (CEQA), as applicable, prior to participating or otherwise proceeding with the LVE Project.² Further, executing the First Amended and Restated Activity Agreement and joining the LVR JPA are both administrative and organizational actions that will not result in a direct physical change in the environment or a reasonably foreseeable indirect change to the environment, and thus are not projects as defined by CEQA Guidelines section 15378(b)(5).

The Water Authority's participation in the First Amended and Restated Activity Agreement and the LVR JPA will require staff time to manage the project and coordinate with the Activity Agreement participating members. Activity Agreement Members would be responsible for all financial (including Water Authority staff time) obligations and liabilities associated with the Water Authority's engagement with the Project and the LVR JPA (see Article 14 of the First Amended and Restated Activity Agreement). In addition, both the JPA Agreement and the amended and restated Activity Agreement contain provisions that expressly allow for adjustments in the manner in which the Activity Agreement Members participate in the LVR JPA. For example, the documents include provisions that would allow Activity Agreement Members to withdraw from the Activity Agreement and participate in the LVR JPA alongside the Water Authority, and provisions that would allow one or more Activity Agreement Members to take the place of the Water Authority in the LVR JPA in certain circumstances.

It is also important to note that any interests in the LVE Project ultimately held by the Water Authority (e.g. storage and conveyance usage rights) will be held by the Water Authority for the benefit of the participating members.

BUDGET

² It is worth noting that the Project has been the subject of prior review in compliance with CEQA and that CCWD, as lead agency, has completed and certified an environmental impact report concerning the Project.

Memo to SLDMWA Board of Directors

August 5, 2021

Page 2 of 2

No direct budget impact, due to the proposed structure of the Activity Agreement, whereby the cost for the Water Authority's participation in the LVE JPA, and any additional financial obligations and liabilities associated with execution of the LVE JPA, will be paid for by only the Activity Agreement Members.

EXHIBITS

1. Resolution No. 2021-XX Authorizing Execution of the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement and Los Vaqueros Reservoir Joint Exercise of Powers Agreement, and Authorizing Actions Related Thereto
2. Draft First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement
3. Draft Los Vaqueros Reservoir Joint Exercise of Powers Agreement
4. Phase 2 Los Vaqueros Reservoir Expansion Project Near Term Milestones Handout

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2021-

**RESOLUTION AUTHORIZING EXECUTION OF THE FIRST AMENDED AND
RESTATED LOS VAQUEROS RESERVOIR EXPANSION PROJECT ACTIVITY
AGREEMENT AND LOS VAQUEROS RESERVOIR JOINT EXERCISE OF POWERS
AGREEMENT, AND AUTHORIZING ACTIONS RELATED THERETO**

WHEREAS, the Los Vaqueros Reservoir Expansion Project (“LVE Project”) includes expansion of the Los Vaqueros Reservoir from its current capacity of 160,000 acre-feet to 275,000 acre-feet, construction of a pipeline between Contra Costa Water District’s (“CCWD”) Transfer Pump Station and the State Water Project’s California Aqueduct at Bethany Reservoir (the “Transfer-Bethany Pipeline”), upgrades to the existing Transfer Pump Station Facilities, and construction of the Neroly High Lift Station; and

WHEREAS, the potential benefits from the LVE Project include the operational flexibility to the United States Bureau of Reclamation (“Reclamation”) to move Central Valley Project (“CVP”) water south of the Delta, conveyance and storage of water purchased through water transfers, and storage of rescheduled and/or transfer water for CVP contractors and Level IV Refuge Water for Grasslands Water District; and

WHEREAS, on December 12, 2011, the San Luis & Delta-Mendota Water Authority (“Water Authority”) entered into a Memorandum of Understanding regarding CalFed Bay-Delta Program Studies on the expansion of Los Vaqueros Reservoir (“LVE MOU”) with CCWD and other water agencies; and

WHEREAS, subsequently, individual Water Authority member agencies Byron-Bethany Irrigation District, Del Puerto Water District, Grassland Water District, San Luis Water District, Santa Clara Valley Water District, and Westlands Water District also entered into the LVE MOU to seek potential storage and/or conveyance benefits directly for their respective districts; and

WHEREAS, on April 1, 2019, Byron Bethany Irrigation District, Del Puerto Water District, Panoche Water District, and Westlands Water District (together, “Activity Agreement Members”) entered into the San Luis & Delta-Mendota Water Authority Los Vaqueros Reservoir Expansion Project Activity Agreement to participate in the LVE Cost Share Agreement for LVE Project Planning; and

WHEREAS, over the past year, the Water Authority and other “Local Agency Partners” that were signatories to the LVE MOU and/or the LVE Cost Share Agreement and subsequent amendments have worked on the development of a new Los Vaqueros Reservoir Joint Powers Authority (“LVR JPA”) to govern the implementation of the Phase 2 Los Vaqueros Reservoir

Project, including by drafting the Los Vaqueros Reservoir Joint Exercise of Powers Agreement (“JPA Agreement”); and

WHEREAS, the Activity Agreement Members desire to provide cost-sharing through the Water Authority’s execution of the LVR JPA Agreement, to participate through the Water Authority in the LVR JPA; to appointment representatives to the LVR JPA Board of Directors; and to share the obligations of the LVE Project through an amended activity agreement; and

WHEREAS, the Board has considered that certain form of the JPA Agreement (**Attachment 1**), a copy of which has been presented to the Board and is on file with the Secretary hereof; and

WHEREAS, the Board has further considered that certain form of the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement (**Attachment 2**) setting forth the terms by which the certain Members of the Water Authority are willing to participate in the benefits and are willing to incur the obligations of the JPA Agreement, through the joint exercise of the powers common to each of the parties, a copy of which has also been presented to the Board and is on file with the Secretary hereof; and

WHEREAS, the Water Authority’s execution of the JPA Agreement will be contingent upon execution of the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement by the Water Authority and the four above-named Activity Agreement Members; and

WHEREAS, authorizing execution of the First and Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement and the JPA Agreement does not legally bind or otherwise commit the Water Authority or the Activity Agreement Members to participate in or otherwise proceed with the LVE Project, and further, executing the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement and joining the LVR JPA are both administrative and organizational actions that will not result in a direct change in the environment or a reasonably foreseeable indirect change to the environment, and thus do not constitute projects under the California Environmental Quality Act (CEQA Guidelines Section 15378(b)(5)).

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS, THAT:

Section 1. The facts stated in the recitals above are true and correct, and the Board so finds and determines.

Section 2. The Board hereby authorizes the Executive Director to execute the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement in substantially the form presented to the Board, subject to such additions, deletions, and other revisions as the said Executive Director shall approve prior to execution.

Section 3. The Board hereby authorizes the Executive Director to execute the Los Vaqueros Reservoir Joint Exercise of Powers Agreement in substantially the form presented to the Board, subject to such additions, deletions, and other revisions as the said Executive Director shall approve prior to execution and further subject to the contingencies described in Section 5 of this Resolution.

Section 4. The Board hereby authorizes the designation and appointment of Anthea Hansen, General Manager of Activity Agreement Member Del Puerto Water District, to act as the Water Authority's Director on the LVR JPA Board of Directors, and Jose Gutierrez, Chief Operating Officer of Activity Agreement Member Westlands Water District, to act as an alternate to Ms. Hansen on the LVR JPA Board of Directors, with notice of such designation and appointment to be provided the LVR JPA within thirty (30) days of the effective date of the Los Vaqueros Reservoir Joint Exercise of Powers Agreement, and subject to the contingencies described in Section 5 of this Resolution.

Section 5. The authorization to execute the Los Vaqueros Reservoir Joint Exercise of Powers Agreement and to designate and appoint Ms. Hansen and Mr. Gutierrez as the Water Authority's representatives on the LVR JPA Board of Directors conferred by this Resolution shall be contingent upon the occurrence of the following action execution by the four above-named Activity Agreement Members of the First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement.

Section 6. In the event the contingency described in Section 5 fails to occur, the authorization conferred by this Resolution for which the contingency is not satisfied is revoked *ab initio* as to the document not achieving the signatures as required by said Section 5, and any documents executed or designations and appointments made by the Water Authority in reliance upon it shall have no binding force or effect.

Section 7. The Executive Director, Chief Operating Officer, or such Water Authority employee or consultant as either of such officers may designate, is further authorized and directed to take such additional steps, and to execute such additional documents, as may be required or reasonably necessary to the completion of the activities authorized by this Resolution, subject to the budgets and approvals as set forth in the respective documents.

PASSED, APPROVED AND ADOPTED this 5th day of August, 2021, by the Board of Directors of the San Luis & Delta-Mendota Water Authority.

Cannon Michael, Chairman

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

Attest:

Federico Barajas, Secretary

.....

I hereby certify that the foregoing Resolution No. 2021- was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 5th day of August, 2021.

Federico Barajas, Secretary

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
FIRST AMENDED AND RESTATED LOS VAQUEROS RESERVOIR EXPANSION
PROJECT ACTIVITY AGREEMENT

This **FIRST AMENDED AND RESTATED LOS VAQUEROS RESERVOIR EXPANSION PROJECT ACTIVITY AGREEMENT** (“**Activity Agreement**”) is made effective as of the date it is executed by and among the San Luis & Delta-Mendota Water Authority, a joint powers agency of the State of California (“**Authority**”), and Byron-Bethany Irrigation District, Del Puerto Water District, Panoche Water District, and Westlands Water District (collectively the “**Members**”). Capitalized terms used in this Activity Agreement shall have the meanings set forth in Section 2 below.

1. RECITALS

A. The Members, together with certain other local agencies, have entered into an amended and restated Joint Exercise of Powers Agreement-San Luis & Delta-Mendota Water Authority dated as of January 1, 1992 (the “**JPA**” or “**JPA Agreement**”), by and among the parties indicated therein, establishing the Authority for the purpose of exercising the common powers of the Members, including those powers described in this Activity Agreement.

B. The Members are each empowered, among other powers, to provide water service to lands within their boundaries; to operate and maintain works and facilities for the development, distribution and use of water for irrigation and for any drainage or reclamation works connected therewith or incidental thereto and/or to operate and maintain works and facilities for the development, distribution and use of water for municipal and industrial use; to contract with the United States, the State and other public agencies and, effective January 1, 1995, with mutual water companies, for such purposes; to control the quality of water accepted into their respective systems; to exercise powers related to the construction, operation, or maintenance of water storage and delivery facilities; and to adopt rules and regulations necessary to the exercise of such powers.

C. The Members have each entered into contracts with the United States for water from the Central Valley Project (“**CVP**”) and receive water conveyed through the Delta-Mendota Canal and/or the San Luis Canal.

D. For several years to come, because of hydrologic conditions and/or regulatory constraints, the operation of the CVP by the United States Bureau of Reclamation (“**Reclamation**”) will likely result in shortages of supply, which would result in less water being made available to the members of the Authority than required to meet the demands of their customers.

E. On December 12, 2011, the Authority entered into a Memorandum of Understanding regarding CalFed Bay-Delta Program Studies on the expansion of Los Vaqueros Reservoir (“**LVE MOU**”) with Contra Costa Water District (“**CCWD**”) and other water agencies.

F. Subsequently, Water Authority member agencies Byron-Bethany Irrigation District, Del Puerto Water District, Grassland Water District, San Luis Water District, Santa Clara Valley Water District, and Westlands Water District also entered into the MOU and individual cost share agreements to seek potential storage and/or conveyance benefits directly for their respective districts.

G. The Authority and certain Water Authority member agencies, together with Reclamation and other public agencies have considered the feasibility of a Phase 2 Los Vaqueros Reservoir Expansion Project (“**LVE Project**” or “**Project**”) to, among other things, develop regional water supplies for environmental water management, to improve regional water supply reliability, and to improve regional water quality, while maintaining benefits from the existing Los Vaqueros Reservoir.

H. In early 2019, the Project included, but was not limited to, planning for the construction of an expanded reservoir with a capacity of 275,000 acre-feet, construction of a pipeline between CCWD’s Transfer Pump Station and the California Department of Water Resources’ California Aqueduct at Bethany Reservoir (the “**Transfer-Bethany Pipeline**”), upgrades to the existing Transfer Pump Station facilities, and construction of the Neroly High Lift Pump Station.

I. The LVE MOU participants were in receipt of a proposed CCWD Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning (“**LVE Cost Share Agreement**”). The LVE Cost Share Agreement was for the purpose of providing cost-sharing to complete planning and preconstruction activities related to the LVE Project.

J. The Members previously entered into the LVE MOU and individual cost share agreements desired to provide cost-sharing through the Water Authority and its execution of the LVE Cost Share Agreement.

K. In March and April of 2019, the Members executed the Los Vaqueros Expansion Project Activity Agreement to enable them to participate in the benefits and incur the obligations of the LVE Cost Share Agreement (individually, “**Activity Agreement Member**” or collectively, “**Activity Agreement Members**”).

L. By the Water Authority executing the LVE Cost Share Agreement, the Water Authority became a “Local Agency Partner”, to participate in coordination with and on behalf of the Participating Member Agencies.

M. The various “Local Agency Partners” in the LVE Project are now in the process of finalizing a “Los Vaqueros Reservoir Joint Exercise of Powers Agreement” (“**LVR JPA Agreement**”) to create a “Los Vaqueros Reservoir Joint Powers Authority” (“**LVR JPA**”).

N. The Activity Agreement Members desire to provide cost-sharing through the Water Authority’s execution of the LVR JPA Agreement, and the joint exercise of their common powers under this Activity Agreement.

O. The Water Authority and each of the Activity Agreement Members have shared, and continue to share, a common interest in sharing information and resources reasonably necessary to accomplish the purpose in this Activity Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the true and correct facts recited above, and of the covenants, terms, and conditions set forth herein, the Activity Agreement Members and the Authority agree as follows:

2. DEFINITIONS

2.1. “**Activity Agreement**” or “**Agreement**” shall mean this First Amended and Restated Los Vaqueros Reservoir Expansion Project Activity Agreement.

2.2. “**Activity Agreement Expenses**” shall mean all expenses directly incurred by the Authority pursuant to this Activity Agreement and any agreements executed in conjunction with

this Activity Agreement, together with a share of Authority Operating Costs allocable to Activity Agreement Members.

2.3. **“Activity Agreement Member”** shall mean the Members and any other member of the Authority that signs this Activity Agreement pursuant to Section 17 below. The Activity Agreement Members are listed on Exhibit “A” attached hereto, and such list may be updated without amendment to this Activity Agreement.

2.4. **“Administration Agreements”** shall mean those certain agreements between the Authority and Activity Agreement Members for the undertaking of activities and sharing of costs and benefits pursuant to Sections 22 and 23 of the JPA.

2.5. **“Authority”** shall mean the San Luis & Delta-Mendota Water Authority.

2.6. **“Authority Operating Costs”** shall mean the Authority’s rent and other occupancy charges, acquisition costs of office furniture and equipment, including telephone, telecopy, photocopy, cost of cars and other vehicles, insurance premiums, salaries and wages of employees including payments in connection with retirement programs and other benefit programs, fees of creditors, lawyers, engineers and other consultants, travel, telephone, telecopy, and photocopy expenses, and any other general administrative expenses.

2.7. **“Board of Directors”** shall mean the Board of Directors of the San Luis & Delta-Mendota Water Authority.

2.8. **“Capacity Usage Rights”** means the LVR JPA members’ rights to Project water transmission and storage capacity, which will be assigned to the Authority and held by the Authority on behalf of Activity Agreement Members under the terms of one or more Service Agreements. The Authority’s share of Capacity Usage Rights, held on behalf of one or more Activity Agreement Members, shall be the basis for the Activity Agreement Members’ share of the Costs of Service.

2.9. **“Costs of Service”** means the costs of services included in the payments, or other non-monetary benefits, the LVR JPA will receive from LVR JPA members pursuant to the Service Agreements or any Related Activity Agreement based on Capacity Usage Rights. The Costs of Service, which shall be as fully described and specified in the respective Service Agreements or any Related Activity Agreement, include, but are not limited to, all Project capital costs and operating expenses, such as Project development costs; debt service, to the extent applicable under any agreed upon financing vehicle, including interest, on any Bonds; amounts payable to CCWD

and EBMUD under the Facilities Usage Agreements; operations and maintenance costs of the Project or of any Related Activity; LVR JPA administrative expenses; capital reserve payments; and payments to a renewal and replacement fund the LVR JPA will establish.

2.10. **“Fiscal Year”** shall mean the Authority’s March 1 – February 28/29 fiscal year.

2.11. **“JPA”** or **“JPA Agreement”** shall mean that certain Amended and Restated Joint Exercise of Powers Agreement effective January 1, 1992, establishing the Authority, as it may be amended or restated over time.

2.12. **“Participation Percentage”** shall mean each Activity Agreement Member’s allocated share of Activity Agreement Expenses determined as described in Section 9 of this Agreement and set forth on Exhibit “B” as updated from time to time.

2.13. **“LVE Cost Share Agreement”** shall mean the Contra Costa Water District Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning and Amendments entered into by the Authority on behalf of the Activity Agreement Members.

2.14. **“Los Vaqueros Reservoir Joint Powers Authority”** or **“LVR JPA”**) shall mean the Los Vaqueros Reservoir Joint Powers Authority that is anticipated to be created through execution of the Los Vaqueros Reservoir Joint Exercise of Powers Agreement.

2.15. **“Los Vaqueros Reservoir Joint Exercise of Powers Agreement”** or **“LVR JPA Agreement”** shall mean the Los Vaqueros Reservoir Joint Exercise of Powers Agreement that is anticipated to be entered into by the Authority on behalf of the Activity Agreement Members.

2.16. **“LVE Project”** or **“Project”** shall mean the second phase of the efforts to expand existing conveyance facilities, and construct new conveyance facilities, at the Los Vaqueros Reservoir owned and operated by CCWD. The Project will expand Los Vaqueros Reservoir to a capacity up to 275,000 acre-feet and will interconnect CCWD’s intake system to new and existing conveyance facilities.

2.17. **“Service Agreement(s)”** shall mean the agreement(s) pursuant to which the LVR JPA will provide services and/or Capacity Usage Rights to the Authority on behalf of Activity Agreement Members and the Authority on behalf of Activity Agreement Members will be obligated to make payments, or provide other non-monetary benefits to the LVR JPA with respect to the costs thereof, as consideration for those services and/or Capacity Usage Rights, all in accordance with the terms and conditions of any such Service Agreement(s), which are anticipated to be entered into

by the Authority on behalf of the Activity Agreement Members. The Service Agreements shall allocate the Costs of Service among the LVR JPA Members in proportion to their anticipated use of Project facilities and other benefits the LVR JPA Members derive from the Project in accordance with their shares of Capacity Usage Rights as expressed by the “beneficiary pays” principle.

2.18. **“Special Project Agreement”** shall mean an agreement entered into between the Authority and certain Activity Agreement Members that desire to collectively carry out a special project or execute a Service Agreement that is either not carried out or executed by all of the Activity Agreement Members or that provides different benefits to the affected Activity Agreement Members. A Special Project Agreement shall be required for each and every Service Agreement executed by the Authority on behalf of an Activity Agreement Member or Activity Agreement Members.

2.19. **“Special Project Expenses”** shall mean costs and expenses allocable to Activity Agreement Members incurred pursuant to a Special Project Agreement, including in some instances Costs of Service, and shall also include Authority Operating Costs allocated to the Special Project Agreement.

2.20. **“Special Project Participants”** shall mean those Activity Agreement Members who execute a Special Project Agreement.

2.21. All other capitalized terms used herein shall have the meanings ascribed to them in the LVR JPA Agreement.

3. PURPOSE OF AGREEMENT

3.1. The purpose of this Activity Agreement is to allow, through the joint exercise of some or all of the common powers of the Activity Agreement Members described in the Recitals above, as appropriate, the Activity Agreement Members to participate through the Authority in the LVR JPA Agreement to allow the Authority obtain for each of the Activity Agreement Members the benefits, and to share the obligations of the LVR Project.

3.2. The parties acknowledge and agree that the Authority’s role in this Activity Agreement is to: 1) provide the umbrella joint powers agreement pursuant to which the Activity Agreement Members may exercise their common powers and the Authority may provide coordinated services at the expense of the Activity Agreement Members; 2) negotiate, implement, and administer the LVR JPA Agreement and Special Project Agreements on behalf of and in

coordination with the Activity Agreement Members; 3) provide the mechanism and authority for the Authority to execute the LVR JPA Agreement and Service Agreements on behalf of the Activity Agreement Members; 4) provide the mechanism for the Activity Agreement Members to select the Authority's representatives on the LVR JPA Board of Directors and how that representative will act on behalf of the Activity Agreement Members; 5) provide administrative services for implementation of the LVR JPA Agreement and Special Project Agreements, including, but not limited to, providing notices, providing billing and accounting services to the Activity Agreement Members during the term hereof; and 6) undertake such additional activities and responsibilities as may be requested and funded by the Activity Agreement Members.

4. ORGANIZATION

The business of this Activity Agreement shall be initially conducted by the Authority at large and therefore be governed by the Board of Directors of the Authority. However, it is recognized that at some time in the future the Activity Agreement Members may wish to form a separate body specifically for the purpose of directing the business of the Activity Agreement. Within eighteen (18) months of the effective date of this Agreement, the Activity Agreement Members will evaluate whether to facilitate the formation of an Activity Agreement steering committee. If the Activity Agreement Members unanimously agree, upon that agreement, the Board of Directors of the Authority will establish the organizational structure proposed by the Activity Agreement Members, which will be described in an amendment to this Activity Agreement, and which shall then serve as the governing body for this Activity Agreement.

5. ROLE OF AUTHORITY; POWERS RESERVED TO BOARD OF DIRECTORS AND LIMITATIONS THEREON

5.1. Role of the Authority. The role of the Authority under this Activity Agreement will be to provide, through Authority staff or contracts with consultants, coordinated services to assist the Activity Agreement Members in conducting the activities contemplated by this Agreement and any related Service Agreements and/or Special Project Agreements. The Authority will provide only those services supported with funding from the Activity Agreement Members, grant funding, or other means that will not impose costs on members of the Authority that are not Activity Agreement Members, in accordance with budgets recommended by staff, and approved by the

Activity Agreement Members and the Board of Directors, as more specifically provided under the terms of this Agreement.

5.2. Powers Reserved to Board of Directors and Limitations Thereon.

a) The Board of Directors shall have ultimate approval authority over all Activity Agreement annual budgets based upon the recommendation of staff and approval of the Activity Agreement Members; provided, the Board of Directors may only alter an Activity Agreement annual budget in a manner consistent with the Activity Agreement Members recommendation.

b) The Board of Directors shall have the right, upon recommendation of or in consultation with staff and Activity Agreement Members, to approve all amendments to this Activity Agreement.

c) The Board of Directors shall have the right, upon the recommendation of one or more affected Activity Agreement Members in the form of formal Board action, to authorize execution of all Service Agreements and Special Project Agreements, and other agreements relating to the LVE Project.

d) The Board of Directors shall have the right, upon the recommendation of or in consultation with the Activity Agreement Members, to act on any claims and to make decisions concerning the prosecution of, defense of, or other participation in actions or proceedings at law brought against the Authority arising from this Activity Agreement; provided if that action is taken at the request of the Activity Agreement Members then the costs for such action shall be borne by the Activity Agreement Members.

e) The Board of Directors delegates to staff the authority to conduct the activities described in this Activity Agreement pursuant to the terms of this Activity Agreement, without the required approval of the Board of Directors except as specifically provided in this Section 5.2. Also, except as set forth in this Section 5.2, this delegation shall specifically include, but not be limited to, the authority to enter into contracts within approved Activity Agreement budgets.

5.3. Execution of the LVR JPA Agreement. The Board of Directors shall have the right to authorize the Authority to execute the LVR JPA Agreement (1) upon execution of this Activity

Agreement by the Activity Agreement Members, and (2) upon a recommendation of the Activity Agreement Members to proceed with executing the LVR JPA Agreement in its final form.

6. BUDGETARY RESPONSIBILITIES OF ACTIVITY AGREEMENT MEMBERS

To the extent that the Authority prepares budgets for this Activity Agreement, the Authority shall coordinate with Activity Agreement Members in the development of any such budgets for the activities authorized by this Activity Agreement, annually or more frequently as needed, for presentation to the Board of Directors of the Authority in accordance with Section 22 of the JPA Agreement. The Authority staff will not present to the Authority Board a budget for this Activity Agreement unless and until supported by each of the Activity Agreement Members. Budgeted amounts for this Activity Agreement will be collected through the invoicing process described in Section 9 of this Activity Agreement, and, provided each of the Activity Agreement Members is in agreement, formal amendment of such budgets through Board of Directors of the Authority approval is not required for adjustments of expenditure for activities authorized by this Activity Agreement.

7. ACCOUNTABILITY, REPORTS, AND AUDITS

7.1. Full books and accounts for this Activity Agreement shall be maintained by the Authority in accordance with practices established by, or consistent with, those utilized by the Controller of the State of California for public entities. The books and records shall be open to inspection by the Activity Agreement Members at all reasonable times, and by bondholders and lenders as and to the extent provided by resolution or indenture.

7.2. There shall be strict accountability of all funds deposited on behalf of the Activity Agreement with the Authority. The Treasurer of the Authority, directly or acting through its Accounting Department, shall provide regular reports of Activity Agreement accounts. Funds of the Activity Agreement shall be subject to audit by the official auditor of the Authority. An Activity Agreement Member may request an independent audit of the Activity Agreement funds; such audit shall be conducted at the expense of the requesting Activity Agreement Member.

8. ACTIVITY AGREEMENT EXPENSES AND ALLOCATION OF OPERATING COSTS

8.1. The Authority and the Activity Agreement Members agree that all Activity Agreement Expenses incurred by the Authority under this Activity Agreement are the costs of the

Activity Agreement Members, and not of the Authority, and shall be paid by the Activity Agreement Members.

8.2. The Activity Agreement Members further agree that the Board of Directors is authorized to allocate a share of Authority Operating Costs, which includes a portion of costs addressed by the Administration Agreements, as part of the Activity Agreement Expenses to cover the cost to the Authority of administering this Activity Agreement.

9. PARTICIPATION PERCENTAGES, INVOICING, PAYMENTS

9.1. Initial Participation Percentages. Each Activity Agreement Member agrees to reimburse the Authority for an equal share of the actual costs due by the Authority under the LVR JPA Agreement, plus an equal share of any Activity Agreement Expenses. For example, if there are five (5) Activity Agreement Members, each Activity Agreement Member would agree to reimburse the Authority one-fifth (1/5th) of those costs.

9.2. Changing Participation Percentages Due to Withdrawal. The Participation Percentages shall be revised in response to the withdrawal of one or more Activity Agreement Members pursuant to Section 16 of this Activity Agreement or a change in the participation status of one or more Activity Agreement Member as follows:

9.3. Upon withdrawal of one or more of the Activity Agreement Members from participation in this Activity Agreement and in the LVE Project, each of the remaining Activity Agreement Members will be allocated an equal share of all Activity Agreement Expenses and all remaining rights in the LVE Project held by the Authority for Activity Agreement Members.

9.4. Upon withdrawal of one or more of the Activity Agreement Members from participation in this Activity Agreement, but where the withdrawing Activity Agreement Member(s) will continue participation in the LVE Project (a “Change,” as that term is defined in the LVR JPA Agreement), (i) the Authority and Activity Agreement Members that will remain Activity Agreement Members after the withdrawal is complete will work in good faith and take all actions necessary to provide, after the withdrawal is complete, the withdrawing Activity Agreement Member(s) the rights and obligations to the LVE Project which it(they) had prior to withdrawing from the Activity Agreement, and (ii) after the withdrawal is complete, each of the remaining Activity Agreement Member(s) will be allocated an equal share of all Activity Agreement Expenses and all remaining rights in the LVE Project held by the Authority for Activity Agreement Members.

9.5. Changing Participation Percentages Due to Addition. The Participation Percentages shall be revised in response to the addition of one or more members of the Authority pursuant to Section 17 of this Activity Agreement.

9.6. Ongoing Documentation of Participation Percentages. The Participation Percentages of each Activity Agreement Member shall be dated and attached as Exhibit “B” to this Agreement, effective upon the date approved by all Parties, without any further amendment of this Agreement being required. Any further amendments to Exhibit “B” may be made using the procedure included in this Section 9.2 without any further separate amendment of this Agreement being required.

9.7. Invoicing and Payment.

a) The Authority shall invoice each of the Activity Agreement Members for all Activity Agreement Expenses in their respective Participation Percentages on the same schedule as it utilizes for collecting membership dues to implement the Authority budget for each March 1 through February 28/29 fiscal year, generally twice yearly in mid-March and August of such year. Payments are due thirty (30) days following the receipt of the Authority’s invoice.

b) The Authority shall promptly invoice each of the Activity Agreement Members for any Special Project Expenses and/or Costs of Service, with payments due thirty (30) days following the receipt of the Authority’s invoice.

10. SOURCE OF PAYMENTS

Each Activity Agreement Member agrees that it will timely take actions necessary to provide sufficient money to meet its obligations hereunder. Each Activity Agreement Member hereby confirms that the Authority and other Activity Agreement Members are third party beneficiaries of such Activity Agreement Member’s obligations under this Agreement and may take such actions in law or in equity as may be desirable to enforce payments hereunder.

11. SERVICE AGREEMENTS, OTHER AGREEMENTS, AND PAYMENTS FOR COSTS OF SERVICE

11.1. The Authority may enter into a Service Agreement, Service Agreements, and other agreements, including but not limited to Interim Funding Agreements, with the LVR JPA, pursuant to which the LVR JPA will provide services or Capacity Usage Rights, or conduct Project development activities, on behalf of some or all Activity Agreement Members. Any Capacity

Usage Rights assigned to the Authority will be exercised by the Activity Agreement Members; the Authority shall not independently have any right to Project water transmission or storage capacity.

11.2. No Service Agreement will be executed unless and until formal action is taken by the one or more affected Activity Agreement Members to both (1) recommend the Authority's execution of the Service Agreement on the Member's or Members' behalf and (2) to authorize the payment of Costs of Service via execution of a Special Project Agreement.

11.3. The Authority will be obligated to make payments, or provide other non-monetary benefits to the LVR JPA with respect to the costs thereof, as consideration for those services, Capacity Usage Rights, or activities, all in accordance with the terms and conditions of any such Service Agreement(s) or other agreements.

11.4. Each Activity Agreement Member shall be bound to accept and pay for the actual costs of such Member's allocated share of the Costs of Service or other costs under any Service Agreement or other agreement executed by the Authority on the Activity Agreement Member's behalf. Payments will be made consistent with Section 9.4 above, and in accordance with any Special Project Agreement executed pertaining to the Service Agreement, consistent with Section 12 below.

12. SPECIAL PROJECTS

12.1. Fewer than all of the Activity Agreement Members may enter into a Special Project Agreement to achieve any of the purposes or activities authorized by this Activity Agreement, and to share in the expenses and costs of such activity. Special Project Agreements must be in writing and may be documented by completion and execution of a form agreement developed for such purpose.

12.2. The Authority and one or more Activity Agreement Members must execute a Special Project Agreement before the Authority and the LVR JPA may execute a Service Agreement. As described above in Section 11.2, (i) formal action by each Activity Agreement Member(s) is required before the Authority would be authorized to execute a Special Project Agreement for the benefit of each of those Activity Agreement Member(s), and to recommend the Authority's execution of a Service Agreement, as well as the Authority's execution of the Special Project Agreement pursuant to Section 5.2(c).

12.3. Activity Agreement Members that sign Special Project Agreements agree that all Special Project Expenses, including Costs of Service, incurred by the Authority under this Activity Agreement for each such Special Project are the costs of the Special Project Participants, respectively, and not of the Authority or of the Activity Agreement Members not participating in the Special Project. The Special Project Agreements shall specify the allocation of Special Project Expenses to the Special Projects Agreement participants, and the Special Project Expenses shall be made by the respective Special Project Participants.

12.4. Special Project Participants shall hold the Authority and each Activity Agreement Member that is not a member of the Special Project Agreement free and harmless from and indemnify each of them against any and all costs, losses, damages, claims, and liabilities arising from the Special Project Agreement. The indemnification obligation of Special Project Participants arising from the Special Project Agreement shall be the same as specified in Section 14 for Activity Agreement Members in general, except that it shall be limited to those costs, losses, damages, claims, and liabilities arising from the Special Project Agreement.

13. REPRESENTATION ON THE LVR JPA BOARD OF DIRECTORS

13.1. Representation on the LVR JPA Board of Directors.

a) Within thirty (30) days of the Effective Date of the LVR JPA Agreement, provided the Authority is a party thereto, the Authority will be entitled to designate and appoint, by a formal action of the Authority's Board of Directors, one (1) individual to act as its representative (Director) on the LVR JPA Board of Directors, and one (1) other individual to act as an alternate to that Director so appointed. However, this action to designate and appoint may precede the Effective Date of the LVR JPA Agreement, as it may occur concurrently with formal action by the Authority's Board of Directors to authorize execution of the LVR JPA Agreement.

b) The designation and appointment of a Director and alternate will be acted upon by the Authority Board of Directors following unanimous recommendation by the Activity Agreement Members.

c) Although the LVR JPA Agreement is not expected to impose a term of office for Directors or alternates on the LVR JPA Board of Directors, the Activity Agreement Members intend to rotate the Authority's representatives on the LVR JPA Board of Directors no less frequently than every two (2) years, with the alternate presumed to fill the seat of the vacating

Director. Each Director and alternate shall hold office until a successor is selected by the Authority Board of Directors.

13.2. Engagement by the Authority's Representative(s) on the LVR JPA Board of Directors. The vote of the Authority's Director or alternate regarding particular action items before the LVR JPA Board of Directors will occur following discussion with the Activity Agreement Members and obtaining informal concurrence among the Activity Agreement Members regarding the same. Participation by the Authority's Director or alternate on the LVR JPA Board of Directors more generally will also occur following discussion with and input from the Activity Agreement Members whenever possible.

14. INDEMNIFICATION OF AUTHORITY MEMBERS WHO DO NOT PARTICIPATE IN THIS ACTIVITY AGREEMENT

The Activity Agreement Members shall hold the Authority and each of its members who are not Activity Agreement Members, free and harmless from and indemnify each of them against any and all costs, losses, damages, claims, and liabilities arising from this Activity Agreement. This indemnification obligation includes the obligation of the Activity Agreement Members to defend the Authority, and all members of the Authority that are not participants in this Activity Agreement, at the sole expense of the Activity Agreement Members, in any action or proceeding brought against the Authority or any of its members not participating in this Activity Agreement to recover any such costs, losses, damages, claims, or liabilities arising from this Activity Agreement.

15. TERM

This Activity Agreement shall take effect on the date it is executed by the Authority and the four named Activity Agreement Members and shall remain in full force and effect until: (1) this Activity Agreement is restated, rescinded, or terminated by the Authority and the Activity Agreement Members, (2) the LVR JPA Agreement is rescinded, terminated, or expires, or (3) the Authority withdraws from or is no longer a party to the LVR JPA Agreement.

16. WITHDRAWAL FROM FURTHER PARTICIPATION

16.1. An Activity Agreement Member may withdraw from this Activity Agreement at any time by providing written notice to the Authority and the other Activity Agreement Members. The withdrawal shall be effective thirty (30) days after sending the written notice.

16.2. Payment of Obligations. Withdrawal is conditioned upon the withdrawing Activity Agreement Member ensuring to the satisfaction of the other Activity Agreement Members that there are no adverse impacts to those members for the withdrawal. This may occur via the withdrawing Activity Agreement Member's payment or agreement to pay its share of all debts, liabilities, and obligations of the Water Authority pursuant to this Activity Agreement and incurred prior to the effective date of such withdrawal, including both debt service and principal under any debts, liabilities, and obligations incurred under this Agreement, the LVR JPA Agreement, or any relevant Service Agreement or Special Project Agreement. A withdrawing party shall, within thirty (30) days of the withdrawal date, pay all such Activity Agreement Member's financial obligations incurred prior to such withdrawal date pursuant to the terms of this Activity Agreement or enter into an agreement acceptable to the Authority for continuing payment of such obligations until fully paid.

16.3. Rights Following Withdrawal. As of the withdrawal date, all rights of participation in this Activity Agreement shall cease for the withdrawing Activity Agreement Member.

16.4. Obligations Following Withdrawal. Withdrawal shall not excuse the withdrawing Activity Agreement Member's performance of obligations imposed upon that party by any judgment which has been entered by a court of competent jurisdiction or regulation to which the Authority or the Activity Agreement Members are subject and that arise from or are related to activities of the Activity Agreement conducted during the period when the withdrawing Activity Agreement Member participated in this Activity Agreement. Furthermore, the indemnification obligations set forth in Section 14 of this Activity Agreement shall survive a party's withdrawal from this Activity Agreement for activities under this Activity Agreement conducted during the period when the withdrawing Activity Agreement Member participated in this Agreement.

16.5. Effect of Withdrawal on an Activity Agreement Member's Capacity Usage Rights. Withdrawal of an Activity Agreement Member from this Activity Agreement does not foreclose said Activity Agreement Member from seeking to maintain its share of Capacity Usage Rights and to either become an independent voting member of the LVR JPA or become a member of the LVR JPA that shares in the Authority's rights and obligations, assuming compliance with Sections 9, 16.2, and 16.4 above and Article 8 of the LVR JPA Agreement.

16.6. Withdrawal from the LVR JPA. At the Activity Agreement Members' unanimous direction, the Authority will take action to withdraw from the LVR JPA in accordance with the terms in the LVR JPA Agreement.

16.7. If all but one of the Activity Agreement Members provide notice of withdrawal from this Agreement, the Authority shall: (1) notify the LVR JPA of the Authority and the remaining Activity Agreement Member's intent for the remaining Activity Agreement Member to substitute for the Authority as a Member of the LVR JPA, and (2) cooperate with the remaining Activity Agreement Member to ensure that the Activity Agreement Member is assigned: (a) the Authority's rights and obligations under the LVR JPA Agreement and any related agreements, including Service Agreements, and (b) the Authority's Capacity Usage Rights.

16.8. If the Authority withdraws from the LVR JPA Agreement and, the LVR JPA returns to the Authority money paid, the Authority shall use its best efforts to ensure that money is refunded proportionately to the Activity Agreement Members that initially contributed it.

17. ADMISSION OF NEW MEMBERS

Other members of the Authority may become Activity Agreement Members upon (1) the prior written agreement of all of the parties to this Agreement, which will include terms, if necessary, to ensure the Activity Agreement Members do not bear undue financial obligations, e.g., payment of an equal share of the costs previously paid by Activity Agreement Members, including pursuant to the Activity Agreement executed in April 2019, and (2) each member of the Authority seeking to join agreeing in writing to the terms and conditions of this Activity Agreement; provided, however, upon admission of a new Activity Agreement Member, the parties shall agree to the (1) participation percentage of such new Activity Agreement Member, (2) the revised participation percentages of all other Activity Agreement Members, and (3) any necessary modifications to existing Service Agreements and/or Special Project Agreements as may be required.

18. MISCELLANEOUS

18.1. California Environmental Quality Act. The physical, operational, and financial details of the LVE Project have been analyzed by CCWD as lead agency pursuant to the California Environmental Quality Act ("CEQA") in the Supplement to the Final Environmental Impact Statement/Final Environmental Impact Report ("EIR") [SCH No. 2006012037]. CCWD certified the Final Supplement to the EIR and approved the LVE Project on May 13, 2020. CCWD also

adopted CEQA Findings of Fact, Mitigation Measures, a Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations, and filed a Notice of Determination. The Authority and/or Activity Agreement Members or other public agencies may be responsible agencies under CEQA for actions related to the LVE Project; however, the actions contemplated by this Activity Agreement have no potential for physical effects on the environment. Each potential improvement, project and/or activity subject to this Activity Agreement and potential Service Agreements or other agreements, including but not limited to Interim Funding Agreements, has been or will be fully evaluated in compliance with CEQA, as applicable. This Activity Agreement does not, and is not intended to, bind any party to a definite course of action or limit in any manner the discretion of the Authority and/or Activity Agreement Members, or any other public agency, as applicable, in connection with consideration of Service Agreements or other agreements for the projects described in this Activity Agreement, including without limitation, all required environmental review, all required public notice and proceedings, consideration of comments received, and the Authority's and/or Activity Agreement Members' or other public agencies' evaluation of mitigation measures and alternatives, including the "no project" alternative.

18.2. Amendments. This Activity Agreement may be amended in writing by the parties hereto.

18.3. Assignment; Binding on Successors. Except as otherwise provided in this Activity Agreement, the rights and duties of the Activity Agreement Members may not be assigned or delegated without the written consent of the Authority and without providing a right of refusal to other Activity Agreement Members. Any attempt to assign or delegate such rights or duties in contravention of this Activity Agreement shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities, and other obligations of the Authority then in effect. This Activity Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Authority and the Activity Agreement Members.

18.4. Counterparts. This Activity Agreement may be executed by the Authority and the Activity Agreement Members in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

18.5. Choice of Law. This Activity Agreement shall be governed by the laws of the State of California.

18.6. Severability. If one or more clauses, sentences, paragraphs or provisions of this Activity Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Activity Agreement Members and the Authority that the remainder of the Activity Agreement shall not be affected thereby.

18.7. Headings. The titles of sections of this Activity Agreement are for convenience only and no presumption or implication of the intent of the parties as to the construction of this Activity Agreement shall be drawn therefrom.

18.8. Reasonable Cooperation. The Authority and Activity Agreement Members will reasonably cooperate with each other and the Authority to perform the obligations under this Activity Agreement, assist each other when necessary in carrying out their obligations under the LVR JPA Agreement, and in carrying out the purpose and intent of this Activity Agreement.

IN WITNESS WHEREOF, the Members and the Authority have executed this Activity Agreement as of the date appearing next to their respective signature lines:

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

By: _____

Name: _____

Title: _____

Date: _____

ACTIVITY AGREEMENT MEMBERS

Agency Name: _____

Agency Name: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Agency Name: _____

By: _____

Name: _____

Title: _____

Date: _____

Agency Name: _____

By: _____

Name: _____

Title: _____

Date: _____

Agency Name: _____

By: _____

Name: _____

Title: _____

Date: _____

Agency Name: _____

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A
LVE PROJECT ACTIVITY AGREEMENT MEMBERS

Byron-Bethany Irrigation District

Del Puerto Water District

Panoche Water District

Westlands Water District

EXHIBIT B
ALLOCATION OF ACTIVITY AGREEMENT EXPENSES AMONG ACTIVITY
AGREEMENT MEMBERS*

Activity Agreement Members	Allocation (%)
Byron-Bethany Irrigation District	Equal Share (1/4th or 25%)
Del Puerto Water District	Equal Share (1/4th or 25%)
Panoche Water District	Equal Share (1/4th or 25%)
Westlands Water District	Equal Share (1/4th or 25%)

* Special Project Expenses and/or Costs of Service to be allocated in accordance with provisions in the Special Project Agreements and/or Service Agreements

**LOS VAQUEROS RESERVOIR
JOINT EXERCISE OF POWERS AGREEMENT**

THIS JOINT POWERS AGREEMENT ("Agreement") is made and entered into as of the Effective Date defined below, by and between the parties listed on Exhibit A attached hereto, which is incorporated herein by this reference. Those parties are referred to in this Agreement individually as a "Member" and collectively as the "Members," as further defined in Section 1.1.22, below.

RECITALS

- A. Each Member is a public agency authorized and empowered to contract for the joint exercise of powers under Articles 1 through 4, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California; and
- B. Each Member has the power to plan for, design, construct, operate, maintain, repair, and replace water-related facilities, as contemplated in the Project, as defined in Section 1.1.26, below; and
- C. The Members desire to use any and every power common to them for the purpose of designing, and for their potential participation in, constructing, operating, repairing and maintaining the Project, or taking such other actions that will make the use of the Project more efficient or effective in providing the Members and their respective ratepayers a more reliable and affordable water supply, but nothing in this Agreement shall provide any power to Contra Costa Water District to unilaterally suspend the delivery of Project benefits to a Member; and
- D. Contra Costa Water District's Board of Directors adopted Resolution No. 21-006 at a regularly scheduled meeting on April 7, 2021 that found and determined the Project, as contemplated by this Agreement, is consistent with the applicable principles of that district included in its Resolution 03-24, adopted on June 25, 2003; and
- E. The Members desire, by means of this Agreement, to establish a new public agency that is separate and apart from each of the Members, to provide for its governance and administration, and to create a structure for Members to assist in the design, construction, operation, and administration of the Project as the Members may elect, and for related purposes. This Agreement does not legally bind or otherwise commit the Authority or the Members to participate in or otherwise proceed with the Project. The Members will comply with the California Environmental Quality Act ("CEQA"), as applicable, prior to participating or otherwise proceeding with the Project. The Members further acknowledge the Project has been the subject of prior review in compliance with CEQA and that Contra Costa Water District, as lead agency, has completed and certified an environmental impact report concerning the Project; and
- F. Establishing and joining the Authority are administrative and organizational actions that will not result in a direct physical change in the environment or a reasonably foreseeable indirect change to the environment, and thus is not a project as defined by CEQA Guidelines section 15378(b)(5).

NOW THEREFORE, in consideration of the above Recitals and of the mutual promises and agreements contained herein, the Members agree as follows:

ARTICLE 1 GENERAL PROVISIONS

1.1 Definitions. The words and terms defined in this Section 1.1 shall, for the purposes of this Agreement, have the meanings herein specified.

1.1.1 Act means Articles 1 through 4, Chapter 5, Division 7, Title 1 of the Government Code of the State of California (commencing with Section 6500) relating to the joint exercise of powers common to public agencies, as amended or supplemented from time to time.

1.1.2 Administrative Agreement means the agreement between the Authority and the Administrator under which the Administrator will provide administrative services to the Authority and will be reimbursed for the costs of those services.

1.1.3 Administrator means the person or entity engaged by the Board of Directors to manage and administer the financial and administrative activities of the Authority in accordance with Section 4.5, below.

1.1.4 Agreement means this Joint Exercise of Powers Agreement.

1.1.5 Authority means the Los Vaqueros Reservoir Joint Powers Authority, which is created by this Agreement.

1.1.6 Board or Board of Directors means the Board of Directors referred to in Article 2 of this Agreement, which is the governing body of the Authority.

1.1.7 Bonds means bonds, notes, commercial paper, and any other evidence of indebtedness of the Authority authorized and issued pursuant to the Act, any indebtedness issued or incurred by the Authority pursuant to any act supplementary to the Act, including, but not limited to, refunding bonds authorized and issued pursuant to Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

1.1.8 Capacity Usage Rights means the Authority's rights to Project water transmission and storage capacity, which the Authority may then assign to each Member under the terms of the Service Agreements.

1.1.9 CCWD means Contra Costa Water District, a county water district formed under Division 12 of the Water Code, and the owner of the Los Vaqueros Reservoir.

1.1.10 CCWD-Provided Facility means an existing facility owned and operated by CCWD with excess capacity that has been made available for use by the Authority in accordance with the Facilities Usage Agreement between CCWD and the Authority. CCWD-Provided Facilities are listed and identified in Exhibit B, as it may be subsequently amended to reflect changes to the Project in accordance with Section 8.2, below; provided that inclusion of a CCWD-Provided Facility on Exhibit B does not give the Authority any Capacity Usage Rights to use that facility, except as provided in the Facilities Usage Agreement between CCWD and the Authority.

1.1.11 Costs of Service mean the costs of Services included in the payments, or other non-monetary benefits, the Authority will receive from Members pursuant to the Service Agreements or any Related Activity Agreement. The Costs of Service, which shall be as fully described and specified in the respective Service Agreements or any Related Activity Agreement, include, but are not limited to, all Project capital costs and operating expenses, such as Project development costs; debt service, to the extent applicable under any agreed upon financing vehicle, including interest on

any Bonds; amounts payable to CCWD and EBMUD under the Facilities Usage Agreements; operations and maintenance costs of the Project or of any Related Activity; Authority administrative expenses; capital reserve payments; and payments to a renewal and replacement fund the Authority will establish.

1.1.12 Design & Construction Agreement means the design and construction agreements the Authority will enter into with CCWD for the New Facilities and Modified Facilities for which CCWD is designated as the builder on Exhibit B hereto; and with EBMUD for the New Facilities and Modified Facilities for which EBMUD is designated as the builder on Exhibit B hereto. Those agreements will address the design and construction services to be provided by the contracting party in accordance with industry standards, and the Authority's payment obligations for such design and construction services.

1.1.13 Director means a member of the Board appointed to the Board pursuant to Section 2.2 of this Agreement or a duly appointed alternate acting for the appointed Board member in his or her absence.

1.1.14 Early Funding Agreement means the agreement between the California Water Commission and CCWD, dated December 20, 2018 and as amended on July 24, 2020, and as it may subsequently be amended, to partially fund Project development activities. The Early Funding Agreement cannot be assigned to the Authority.

1.1.15 EBMUD means East Bay Municipal Utility District, a municipal utility district formed under Division 6 of the Public Utilities Code.

1.1.16 EBMUD-Provided Facility means an existing facility owned and operated by EBMUD, that may be made available for use by the Authority in accordance with, and to the extent provided by, the Facilities Usage Agreement between EBMUD and the Authority. EBMUD-Provided Facilities are listed and identified in Exhibit B as it may be subsequently amended to reflect changes to the Project in accordance with Section 8.2, below; provided that inclusion of an EBMUD-Provided Facility on Exhibit B does not give the Authority any Capacity Usage Rights to use that facility, except as provided in the Facilities Usage Agreement between EBMUD and the Authority.

1.1.17 Effective Date means the date the last Member signs this Agreement, as CCWD shall confirm in written notice to the Members.

1.1.18 Facilities Usage Agreement means the agreements entered into by the Authority and CCWD as to CCWD-Provided Facilities and, as may be applicable, any New Facilities and Modified Facilities for which CCWD is designated as the operator on Exhibit B hereto; and by the Authority and EBMUD as to EBMUD-Provided Facilities and, as may be applicable, any New Facilities and Modified Facilities for which EBMUD is designated as the operator on Exhibit B hereto. Each Facilities Usage Agreement shall provide the Authority with Capacity Usage Rights in some or all of those facilities in exchange for making payments to CCWD or EBMUD, as applicable. Each Facilities Usage Agreement shall specify the nature and extent of Capacity Usage Rights conveyed, the terms and conditions under which those rights may be exercised, and the payment to be made in return for obtaining or exercising Capacity Usage Rights. The Authority may assign its Capacity Usage Rights obtained through Facilities Usage Agreements to one or more Members through the Service Agreements.

1.1.19 Final Funding Agreement means the agreement entered into by the Authority and the California Water Commission under which the California Water Commission agrees to provide funding of approximately \$435 million (subject to adjustment) to partially finance design and

construction of the Project, and the Authority agrees to construct the Project and comply with related contractual obligations in providing public benefits.

1.1.20 Fiscal Year means the period commencing on July 1 of each year and ending on and including the following June 30.

1.1.21 Interim Funding Agreement means the agreement entered into among the Members and the Authority, following formation of the Authority, to provide an interim source of funding for Project development costs, including the initial expenses related to the formation of the Authority, prior to the time where permanent sources of Authority revenues are in place. The Interim Funding Agreement is separate from the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning, as amended, among the agencies who will become Members, which has provided funding for Project-related functions prior to formation of the Authority, and from the Service Agreements, which are expected to provide funding to the Authority once it is in a position to provide Services to the Members. It is contemplated the above-referenced Cost Share Agreement, as amended, will provide funding before formation of the Authority, the Interim Funding Agreement will provide funding in the early stages after formation of the Authority and the Service Agreements will provide permanent, ongoing funding for the Authority.

1.1.22 Member means any of the members of the Authority, as listed on Exhibit A hereto, and any other entity added to this Agreement by a subsequent amendment to Exhibit A that executes this Agreement. As used herein, the term "Member" shall not include the Department of Water Resources, which pursuant to Water Code Section 79759(b), shall be an ex officio non-voting member of the Authority.

1.1.23 Modified Facilities means existing facilities owned by CCWD or EBMUD that will be modified as part of the Project, funded in whole or in part through the Authority's proportional share of the costs of development, design, construction, operations and maintenance which are expected to be financed or paid through the Service Agreements the Members enter into with the Authority, and through Design & Construction Agreements and O & M Agreements between the Authority and CCWD and EBMUD, as applicable, or through one or more Related Activity Agreements among those Members benefitting from specific Modified Facility(ies). The Modified Facilities are identified on Exhibit B hereto, as it may be subsequently amended to reflect changes to the Project in accordance with Section 8.2, below; provided that inclusion of a Modified Facility on Exhibit B does not give any Member other than CCWD or EBMUD, as the operator of that facility, any Capacity Usage Rights in that facility, except as provided in any Facilities Usage Agreement. A Modified Facility may also be referred to as a "specific component" of the Project for purposes of describing specific Modified Facilities to be included in particular financings the Authority will undertake.

1.1.24 New Facilities means facilities necessary for the Project that are expected to be financed by the Authority and designed, built, owned, operated and maintained by CCWD or EBMUD through Design & Construction Agreements and O & M Agreements between the Authority and CCWD and EBMUD, as applicable, or through one or more Related Activity Agreements among those Members benefitting from specific New Facility(ies). The Authority may also own New Facilities. New Facilities which are owned by the Authority may be operated by a Member or by the Authority, as the Board shall determine with the written agreement of the Member to be charged with operational responsibility. The Authority, including CCWD and EBMUD in their capacity as Members, is expected to be solely responsible for all costs and liabilities related to the New Facilities. The New Facilities are identified on Exhibit B hereto, as it may be subsequently amended to reflect changes to the Project in accordance with Section 8.2, below; provided that inclusion of a New Facility on Exhibit B does not give any Member other than CCWD or EBMUD, as the operator of that facility, any Capacity Usage Rights in that facility, except as provided in any Facilities Usage

Agreement. A New Facility may also be referred to as a “specific component” of the Project for purposes of describing specific New Facilities to be included in particular financings the Authority will undertake.

1.1.25 O & M Agreement means the operations and maintenance agreements the Authority will enter into with CCWD for the New Facilities and Modified Facilities for which CCWD is designated as the operator on Exhibit B hereto; and with EBMUD for the New Facilities and Modified Facilities for which EBMUD is designated as the operator on Exhibit B hereto. Those agreements will address operations and maintenance services to be provided by the contracting party in accordance with industry standards, and the payment for such services the Authority will be obligated to make.

1.1.26 Project means generally the second phase of the efforts to expand existing conveyance facilities, and construct new conveyance facilities, at the Los Vaqueros Reservoir owned and operated by CCWD. The Project will expand Los Vaqueros Reservoir to a capacity up to 275,000 acre-feet and will interconnect CCWD’s intake system to new and existing conveyance facilities that will serve the Members to create a regional system. The Project is expected to provide statewide public benefits, including ecosystem benefits to the Project Service Area, including south-of-Delta wildlife refuges, drought and non-drought emergency water supply benefits for the Members, and recreation benefits. The Project is also expected to provide benefits to regional water supply agencies that are Members located within the Project Service Area, integration with state and federal water systems, Central Valley Project operational flexibility, and enhanced opportunities for sustainable groundwater and recycled water management. The Project includes the components specified in Exhibit B hereto as to be more specifically described in subsequent agreements, including New Facilities, Modified Facilities, CCWD-Provided Facilities and EBMUD-Provided Facilities. The Project may include any Related Activity approved by the Board and facilities associated therewith.

1.1.27 Project Service Area means the San Francisco Bay Area (consisting of the counties of Alameda, Contra Costa, Marin, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Solano and Sonoma) and the Central Valley Project service area (as it may be modified from time to time).

1.1.28 Recreational Facilities means those facilities owned, managed and controlled by CCWD that provide recreational opportunities in the Watershed for fishing, boating and hiking, and educational opportunities. The Recreational Facilities are included as a Modified Facility for purposes of this Agreement, which CCWD shall continue to own, manage and control. Funding issues with respect to Recreational Facilities shall be addressed in a Member’s Service Agreement.

1.1.29 Related Activity means an effort, not deemed to be of general benefit to all Members, but consistent with this Agreement’s purposes and the Authority’s objectives, which is undertaken through the Authority by a subset of Members which choose to voluntarily participate in the particular Related Activity, and with respect to which only such participating Members shall receive benefits or incur financial or other obligations.

1.1.30 Related Activity Agreement means the agreement entered into among the Authority and those Members participating in a Related Activity, which sets forth the Authority’s and participating Members’ rights and obligations with respect to that Related Activity.

1.1.31 Reservoir System means the Los Vaqueros Dam, Reservoir, the other CCWD-Provided Facilities listed on Exhibit B, related buildings and structures and any appurtenant facilities.

1.1.32 Reservoir System Operator means CCWD in its capacity as the owner and operator of the Reservoir System.

1.1.33 Services mean the services of the Project provided to the Members pursuant to the respective Service Agreements, consisting, in general, of water storage and conveyance through the various facilities to which the Authority has contracted to have access and use in accordance with each Member's share of Capacity Usage Rights held by the Authority pursuant to the Facilities Usage Agreements. Specific services to be provided to Members will depend on Members' requests, water delivery priorities specified in the Service Agreements, hydrological conditions and permit and regulatory conditions.

1.1.34 Service Agreement means an agreement entered into by a Member and the Authority pursuant to which the Authority provides Services to the Member and the Member is obligated to make payments, or provide other non-monetary benefits to the Authority with respect to the costs thereof, as consideration for those Services, all in accordance with the terms and conditions of any such Service Agreement. It is the intent of the Members that the Service Agreements shall allocate the Costs of Service among the Members in proportion to their anticipated use of Project facilities and other benefits a Member derives from the Project in accordance with the "beneficiary pays" principle. It is also the intent of the Members that the Service Agreements will also allocate costs in a manner to negate any cross-subsidy among Members (i.e., where any Member obtains an unreasonable financial benefit through financial contributions of another Member or other Members), taking into consideration any grant funding the Authority or any Member has received for Project-related costs.

1.1.35 Watershed means the Los Vaqueros Watershed, which is owned and managed by CCWD, consisting of approximately 20,000 acres of protected watershed land that surrounds the Los Vaqueros Reservoir. CCWD shall continue to own and manage the Watershed throughout the term of this Agreement.

1.2. Findings. The Members find and declare the following:

1.2.1. The Members represent a diverse group of public agencies engaged in water management, conservation, and/or delivery in the Project Service Area. This area's regional water systems are vulnerable to water shortages due to emergencies such as earthquakes, fire, or drought, and to dry year supply decreases due to insufficient regional storage.

1.2.2. The Project will improve Bay-Delta and Central Valley water supply reliability and water quality while providing additional habitat and Delta ecosystem benefits.

1.2.3. The Authority is created to enable public agencies responsible for water distribution to work collaboratively with a regional focus to improve water supply reliability through the development and operation of the Project.

1.3 Purposes and Objectives. The purposes of this Agreement are to: (1) create the Authority; (2) provide for the administration of the Authority; (3) provide the organizational framework to plan for, design, construct, operate, maintain, repair, and replace the Project for the benefit of the Members and the region; and (4) coordinate the performance of services related to the Project and approved by the Board. The primary objectives of the Authority are to:

1.3.1 Provide governance of the Project by the Members;

1.3.2 Ensure sufficient stable funding for the Project and related administrative and support activities to be provided through the Service Agreements and Administrative Agreement;

1.3.3 Ensure costs are reasonable and cost allocations are equitable and transparent, as provided through the Service Agreements;

1.3.4 Acquire and maintain sufficient Capacity Usage Rights in water storage and conveyance facilities as may be necessary to provide Services to the Members, consistent with the terms of all Project-related agreements; and

1.3.5 Ensure reliable delivery of water to the Members consistent with the terms of the Service Agreements and Facilities Usage Agreements, such that the Members are provided with the contemplated benefits from their respective investments in the Project.

1.4 Creation of Authority. Pursuant to the Act, there is hereby created a public agency known as the “Los Vaqueros Reservoir Joint Powers Authority.” The Authority shall be a public agency separate and apart from the Members.

1.5 Term. The term of this Agreement shall commence on the Effective Date and shall continue until terminated by the Members as provided in Article 8 of this Agreement.

1.6 Powers of Authority.

1.6.1 General Powers. The Authority shall exercise, in the manner herein provided, the powers common to the Members, powers otherwise permitted under the Act, and powers necessary to accomplish the purposes of this Agreement.

1.6.2 Specific Powers. The Authority is hereby authorized, in its own name, to do all acts necessary, convenient and appropriate for the exercise of the foregoing powers for the purposes set forth in this Agreement and to do any or all of the following:

- (a) To make and enter into contracts;
- (b) To employ agents and employees;
- (c) To lease, acquire, construct, manage, maintain or operate any building, works or improvements;
- (d) To acquire, hold or dispose of property or the right to use property or facilities;
- (e) To supervise and manage the Project so as to deliver state, federal, and Member benefits commensurate with state, federal, and Member investment in the Project consistent with contractual obligations;
- (f) To incur debts, liabilities, or obligations which do not constitute a debt, liability, or obligation of any Member;
- (g) To receive gifts, contributions, and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and governmental entities, provided that the Authority consents to such gifts, contributions, and donations;
- (h) To prescribe the duties, compensation, and other terms and conditions of employment of other agents, officers, and employees;

- (i) To adopt reasonable rules and regulations for the conduct of the day-to-day operations of the Authority;
- (j) To apply for, accept, receive, and disburse grants and loans from local, state, or federal agencies or from individuals or businesses;
- (k) To sue and be sued in its own name;
- (l) To fund and maintain adequate reserve funds to support debt and operational requirements;
- (m) To invest money in its treasury, pursuant to Government Code Section 6505.5 *et seq.*, that is not required for the immediate necessities of the Authority, as the Authority determines advisable, in the same manner and on the same conditions as local agencies, pursuant to Section 53601 of the Government Code;
- (n) To enter into state funding agreements and federal funding agreements relating to the Project, and assume rights and obligations pursuant to these agreements;
- (o) To finance Project development activities;
- (p) To enter into Design & Construction Agreements and O & M Agreements with CCWD and EBMUD, as applicable;
- (q) To enter into Facilities Usage Agreements with CCWD and EBMUD;
- (r) To enter into an Administrative Agreement with the Administrator;
- (s) To enter into agreements with individuals or entities providing program management, Water Supply Manager, legal, financial, accounting, auditing, and other services as required;
- (t) To enter into agreements with the California Department of Water Resources, the California Department of Fish and Wildlife, the United States Department of Interior, Bureau of Reclamation, and other local, state or federal entities as may be required to comply with the requirements of any state or federal funding agreements and to implement the Project, including the administration of public benefits;
- (u) To issue Bonds; provided, however, that the Authority shall not issue any Bonds until the Facilities Usage Agreement with CCWD, all Service Agreements, all O & M Agreements with CCWD and all Contracts for Administration of Public Benefits required by the California Water Commission have been executed by the Authority;
- (v) To deliver Services to the Members, and receive payment from the Members, pursuant to the Service Agreements;
- (w) To exercise any and all powers which are provided for in the Act and in Government Code Section 6584 *et seq.*, including, without limitation

Government Code Section 6588, as they exist on the Effective Date of this Agreement or may hereafter be amended;

- (x) To take action by resolution, ordinance, or motion, as approved by the Board as specified herein;
- (y) To carry out and enforce all provisions of this Agreement with respect to the activities necessary to undertake the development, construction, and operation of the Project;
- (z) To conduct such other activities as are necessary and appropriate to the above; and
- (aa) To exercise any power necessary or incidental to the foregoing powers.

1.6.3 Limitation on Powers. Notwithstanding the general and specific powers listed in Sections 1.6.1 and 1.6.2, the Authority shall not have any power to modify CCWD's role in owning, managing and operating the Watershed and Los Vaqueros Reservoir System, and Recreational Facilities.

1.7 Intent of the Agreement. Nothing in this Agreement shall be interpreted to limit or restrict a Member's operations of its water systems and facilities, including such operations that may involve areas outside of the Project Service Area. The Members acknowledge that entering into this Agreement does not constitute a commitment to fund or to carry out the Project, but such commitments to construct and implement the Project may be undertaken in the future through the execution of subsequent agreements, including, but not limited to, the Service Agreements. Consistent with the intent specified in Recital E, above, each Member shall have the discretion to determine the extent of its participation in the Project and, except as expressly provided in this Agreement, nothing in this Agreement shall be interpreted to require any level of Project participation of any Member, or to require the specific nature of any such Member's Project participation, such as participation in conveyance only, pooled storage or dedicated storage.

1.8 Manner of Exercising Authority Powers. In accordance with Government Code Section 6509, the Authority shall exercise its powers in the manner by which CCWD exercises its powers, except to the extent this Agreement or the Act specifically provide otherwise.

ARTICLE 2 BOARD OF DIRECTORS

2.1 Creation. The Authority shall be governed by a Board of Directors, which is hereby established, consisting of one (1) Director for each Member, along with one (1) Director appointed by the Department of Water Resources, which is required by law to be a non-voting ex officio member of the Authority pursuant to Water Code Section 79759(b). The governing board shall be known as the "Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority." All voting power shall reside in the Board and be exercised as specified in Section 3.3, below. By establishing the Authority and creating the Board, the Members do not intend to create any incompatibility between the service of a Member's governing body member on the Member's governing body, and his or her service as a Director of the Authority, and this Agreement shall be interpreted, if and where necessary, so that no such incompatible office exists.

2.2 Directors.

2.2.1 Directors Appointed; Term. Within thirty (30) days of the Effective Date of this Agreement, each Member shall designate and appoint, by a formal action of its governing body, either one (1) member of its governing body (provided that any Member which itself consists of one or more member agencies may appoint any member of one of its member agencies' governing bodies), or a management-level employee of the Member, or of any member agency of a Member, to act as its representative on the Board; and one (1) other governing body member or Member employee, either by name or position title, to act as an alternate to that Director so appointed. If a Director's or alternate's membership on the appointing Member's governing body ceases or that person ceases to be on the governing body of a Member's member agency, if applicable, or if the Director or alternate is an employee of the Member, or of a Member's member agency, and the Director's or alternate's employment by the Member ceases, his or her membership on the Board or position as an alternate, as applicable, shall also immediately cease. The alternate appointed by each Member shall have the authority to attend and participate in any meeting of the Board, but shall only be allowed to vote at any meeting of the Board when the regular Director is absent. At any meeting of the Board when the regular Director is absent, the alternate shall have the full authority of the Member to vote on any issue before the Board. Each Director shall hold office until his or her successor is selected by the appointing Member, except where immediate cessation of Board membership is expressly provided for by this section. Directors shall serve at the pleasure of the governing board of the appointing Member and may be removed at any time, with or without cause, in the sole discretion of the appointing Member's governing board. If a Director ceases to serve on the Board, the Member that appointed that Director shall select that Director's replacement, and may allow the alternate then serving to fill that Director's position on a temporary or permanent basis, in that Member's discretion; provided that any alternate who is a non-managerial employee of a Member may only serve in the Director's position on a temporary basis, until that Member permanently fills that Director position in accordance with the requirements set forth above.

2.2.2 Board Compensation. The Board shall serve without compensation from the Authority. Compensation may be provided as approved by the Member that appoints its representative Director and alternate, and any such compensation will be the responsibility of that Member.

2.3 Powers and Responsibilities of the Board. All of the power and authority vested in the Authority shall be exercised by the Board, which may delegate such power in its discretion. Notwithstanding the above, the Board shall not delegate its legislative powers. In exercising these powers, the Board shall undertake the following roles and responsibilities:

2.3.1 Fulfill the Authority's purposes;

2.3.2 Engage key Authority executives, including the Executive Director, as desired by the Board, and the Authority attorney;

2.3.3 Approve the engagement of a Program Manager, Water Supply Manager, and other consultants and advisors, including those related to issuance of any Bonds;

2.3.4 Approve annual or two-year budgets;

2.3.5 Approve agreements through which Project will be implemented;

2.3.6 Fund the Authority and Project through issuance of Bonds (subject to the provisions of subdivision (u) of Section 1.6.2, above) and collections from Members; and

2.3.7 Establish committees for activities such as design, construction, and operations.

2.4 Provision for Bylaws. The Board may cause to be developed and may adopt, from time to time, such bylaws for the Authority to govern its day-to-day operations. Each Member shall receive a copy of any bylaws developed and adopted under this section.

ARTICLE 3 MEETINGS OF THE BOARD

3.1 Meetings. The Board shall meet at least monthly, and more frequently as the Board deems necessary to conduct the Authority's business. The Board shall provide for the date, hour, and place of its regular meetings by Resolution of the Board filed with the governing body of each Member. The Board may suspend the holding of regular meetings so long as there is no need for Authority business. The Board shall hold its first meeting within sixty (60) days after the Effective Date. The Board may meet by teleconference or by video conferencing, and in joint session with other public agencies and advisory bodies in accordance with California law.

3.2 Ralph M. Brown Act. All meetings of the Board, including without limitation, regular, adjourned regular, and special meetings, shall be called, noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act, commencing with Section 54950 of the Government Code.

3.3 Voting.

3.3.1 Simple Majority Votes. Subject to the veto rights provided in Section 3.3.4, below, and the provisions of Section 3.4, below, each Director representing his or her appointing Member shall have one vote. Except as otherwise provided by law or as set forth in Sections 3.3.2 and 3.3.3, below, all actions of the Board, including, but not limited to, approval of Authority budgets under Article 7, below, and approval of the issuance or refunding of Bonds shall be approved on the affirmative vote of a majority of the total number of Directors of the Authority pursuant to Section 2.1. In the event of a tie vote among the Directors, the matter will not be considered to have passed.

3.3.1.1 The approval of the admission of a new Member will be by simple majority vote, subject to Sections 3.3.1.1.1, 3.3.1.1.2 and 3.3.1.1.3, below.

3.3.1.1.1 If the admission of a new Member may have an adverse and material effect, as described in Section 3.3.1.1.3, on a current Member, the Director appointed by the affected Member may request that the Members meet and confer, and then the Members shall meet and confer in good faith to attempt to address the claimed adverse and material effect. The Director appointed by the affected Member who declared that the admission of a new Member will have an adverse and material effect shall, as soon as practicable thereafter, provide relevant information to substantiate the adverse and material effect on the Member. In addition, the affected Member's governing body shall adopt a resolution setting forth specific findings of all adverse and material effects which are expected to result from the proposed admission of the new Member. The Board, in the Authority's Bylaws, shall adopt specific procedures for when and how that meet and confer process and subsequent decisions regarding the claimed adverse and material effect will be determined, including, but not limited to, process and decision timing, allocation of the burden to confirm any such adverse and material effect and the standard to be applied to any determination the Board will make regarding the claimed adverse and material effect. If the Board confirms an adverse and material effect cannot be eliminated or resolved through mutually agreeable revisions to the affected Member's Service Agreement, then the proposed new Member will not be admitted to the Authority.

3.3.1.1.2 The Members to this Agreement recognize that the Authority was created, in part, to provide benefits to regional water supply agencies located within the Project Service Area, including to address water supply and emergency water needs in urban, exurban, agricultural and refuge service areas, and that certain state funding arrangements are based on the regional benefits of the Project to the Project Service Area. The Members also acknowledge that the current Members represent a diverse coalition of parties, which together are able to deliver regional impacts and benefits from the Project. Therefore, if a Member withdraws from the Authority pursuant to this Agreement, and the withdrawal results in the loss of benefit to a particular service area, then any regional wholesale customer, supplier, or member agency of a current or former Member in the service area impacted by the withdrawing Member will have a priority to seek to join the Authority as a new Member over other agencies that are not directly connected to a current or former Member in the impacted service area and, if approved by a majority of the Members, will have a right of first refusal to join the Authority. Notwithstanding the foregoing, if a San Luis & Delta-Mendota Water Authority ("SLDMWA") member listed in Exhibit A seeks to join the Authority, the terms by which that SLDMWA member will become a member of the Authority shall be governed by Section 8.6.

3.3.1.1.3 For purposes of this subdivision, an "adverse and material effect" means one or more of the following: (a) a decision that would unreasonably increase the affected Member's operational costs as compared to that Member's existing operational costs; (b) a decision that would decrease capacity of a Project facility used by the affected Member; (c) a decision that would materially restrict the affected Member in its ability to provide an adequate water supply within its service area, including, but not limited to, causing the affected Member to violate any operational permit or water rights permit or license; and/or (d) a decision that would result in a material adverse impact on the quality of water conveyed from the Project.

3.3.2 Items Requiring at Least Three-Quarters Votes for Approval. Notwithstanding Section 3.3.1, above, the following actions of the Board must be approved by at least three-quarters (seventy-five percent (75%)) of the total number of Directors, but subject to Section 3.4, below:

3.3.2.1 Approval of an amendment to the Agreement other than to Exhibits A or B; provided that amendments described in Section 3.3.3.6 must have unanimous Board approval; and provided further that if the proposed amendment relates to Section 7.12, then any such amendment's approval must include a vote of approval by the SFPUC;

3.3.2.2 Termination of a Member's membership pursuant to Section 9.2; and

3.3.2.3 Termination of the Agreement.

3.3.3 Items Requiring Unanimous Approval. Notwithstanding Sections 3.3.1 and 3.3.2, above, the following actions of the Board must be unanimously approved by the Board:

3.3.3.1 Commencement of litigation by the Authority relating to the funding or operation of the Project; or against any Member to interpret or enforce this Agreement or otherwise relating to the Member's obligations concerning the Project; provided that the Member against whom that litigation is contemplated shall not be included in that unanimous vote requirement;

3.3.3.2 Approval of any additional funding contributions under Section 7.7.2, below;

3.3.3.3 Any disproportionate disbursement to a Member or Members made upon termination of this Agreement, as described in Section 8.5, below;

3.3.3.4 Any decision by the Board to approve the creation of positions of employment for the Authority;

3.3.3.5 Approval of any contract with Cal-PERS or any other public retirement system;

3.3.3.6 Approval of an amendment to the Agreement which would change the requirement for unanimous approval of an action listed in Section 3.3.3, or which relates to the veto right provided by Section 3.3.4; and

3.3.3.7 Approval of the incurrence of debt in connection with a Related Activity pursuant to Section 6.1.

3.3.4. Veto Rights of CCWD and EBMUD.

3.3.4.1 Notwithstanding any other provision of this Agreement, for any proposed decision by the Board that either CCWD or EBMUD determines would have an adverse and material effect, as described in Section 3.3.4.4, upon a CCWD-Provided Facility or an EBMUD-Provided Facility, respectively, or upon one or more New Facilities or Modified Facilities owned and operated by CCWD or EBMUD, CCWD or EBMUD, as applicable in connection with the facility(ies) to be affected, acting through the Director it appointed, shall have the right to veto that decision in accordance with the provisions of this Section 3.3.4.

3.3.4.2 The Director appointed by the affected Member (i.e., either CCWD or EBMUD) shall exercise the veto by declaring an intention to veto a proposed decision during a Board meeting at the time the matter is discussed or considered for action. If such intent is declared, the Board may (i) proceed immediately with a vote on the matter, or (ii) by majority vote, delay the vote on that matter to a future meeting to allow the development of an alternative or modified recommended action.

3.3.4.3 If the Board elects to hold an immediate vote on the matter, the Director appointed by the affected Member may veto the proposed action, which veto shall be final and conclusive. In the event of such a veto, the Authority shall not proceed with the action specified in that proposed decision. If the Board elects to delay the vote on the matter to a future meeting, the Members shall meet and confer in good faith to attempt to develop a revised action which addresses the adverse and material effect. The Director appointed by the affected Member which declared its intent to exercise the veto shall, as soon as practicable after declaring its intent to veto, provide relevant information to substantiate the adverse and material effect on the affected Member which is expected to result from the Authority's proposed action. In addition, that Member's governing body shall adopt a resolution setting forth specific findings of all adverse and material effects which are expected to result from the Authority's proposed action. The meet and confer session shall occur at the next Board meeting, or as soon thereafter as Authority staff, the Administrator, the Executive Director (if one has been appointed), or the Members can obtain any further information, in addition to the information provided by the Director appointed by the affected Member which declared its intent to veto, or clarifying direction as needed to propose an alternative or modified recommended action. Any revised action proposed to the Board shall be subject to the veto rights described in this section. No proposed action shall be delayed pursuant to this section more than once, except with the consent of the Director affected by the affected Member which declared its intent to veto the action.

3.3.4.4 For purposes of this subdivision, an “adverse and material effect” includes the following: (a) a decision that would unreasonably increase the affected Member’s operational costs as compared to that Member’s existing operational costs; (b) a decision that would decrease capacity of the subject facility; (c) a decision that would materially restrict the affected Member in its operation of the subject facility or in its ability to provide an adequate water supply within its service area, including, but not limited to, causing the affected Member to violate any operational permit or water rights permit or license; and/or (d) a decision that would result in a material adverse impact on the quality of water conveyed from the Project.

3.4 Effect of Recusal. If any Director recuses himself or herself from voting on any matter before the Board where the Director, in the Director’s sole discretion, determines it is inappropriate for that Director to participate in the vote on that matter, then that Director shall not be counted as a voting Director, such that the total number of voting Directors is reduced by one in calculating the required quorum and in calculating the total number of votes that may be cast and utilized in determining any applicable threshold for the Board’s approval of that matter.

3.5 Special Voting Rules Applicable to Grassland Water District. Due to the fact that Grassland Water District will not be making monetary contributions to the Authority, Grassland Water District shall only be entitled to vote on non-financial matters and those financial matters that concern the administration of public benefits or the delivery of ecosystem benefits to south-of-Delta refuges. In any situation where Grassland Water District is not permitted to vote, for purposes of the determination of the vote needed for approval, Grassland Water District shall not be counted as a voting Member, including for purposes of determining whether a quorum is present pursuant to Section 3.6, such that the total number of voting Members is reduced by one in calculating total number of votes that may be cast and utilized in determining any applicable threshold for the Board’s approval of any such action.

3.6 Quorum. A majority of the Directors shall constitute a quorum for the transaction of business, but subject to the voting approval requirements specified in Section 3.3.

3.7 Board Action. The Board may act by resolution, ordinance, or motion. Unless otherwise provided in the bylaws or by law, ordinances shall not be required to be introduced and adopted at separate meetings of the Board.

3.8 Closed Session. Closed sessions of the Board shall be confidential. However, confidential information from closed sessions may be disclosed to each Member’s governing body as permitted and limited by Government Code Section 54956.96. The Board may include provisions in the Authority’s Bylaws to implement this section. In addition, when any closed session is held pertaining to any matter in which a Member holds a position adverse to the Authority (including, but not limited to pending or potential litigation or ongoing real estate negotiations), the Director appointed by that adverse Member shall be recused from any such closed session. Prior to the Authority conducting any closed session involving liability claims or potential litigation where a Member may have a position adverse to the Authority, the Authority and Member shall comply with any meet and confer requirements set forth in this Agreement; provided, however, that the Authority may waive, by majority vote of the Board, any such meet and confer requirement in the event a statute of limitation would otherwise expire.

3.9 Minutes. The Secretary of the Authority shall cause minutes of regular, adjourned regular, and special meetings to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and to each Member.

3.10 Rules and Regulations. The Board may adopt from time to time such rules and regulations for the conduct of its and the Authority’s affairs as may be required.

ARTICLE 4
OFFICERS AND EMPLOYEES OF THE AUTHORITY

4.1 Chair. At the Board's first meeting, and then in its first meeting of each calendar year or as soon thereafter as practicable, it shall elect one of the Directors as Chair of the Board. The term of office for the Chair shall be one year, or until his or her successor is elected. A Chair may not serve more than four (4) consecutive terms as Chair, and the foregoing term limit shall also apply to the Member on whose behalf the Chair is serving, such that no Member shall be allowed to have any Director or combination of Directors serve on its behalf as Chair for more than four (4) consecutive terms. The Chair of the Board shall preside at all meetings and shall perform such other duties as are specified by the Board through order, resolution or motion. Subject to the foregoing, the position of Chair shall be elected on the basis of the individual Director and not on the basis of the underlying Member with which the Chair is affiliated.

4.2 Vice-Chair. At the Board's first meeting, and then in its first meeting of each year or as soon thereafter as practicable, it shall elect one of the Directors as Vice-Chair of the Board. The term of office for the Vice-Chair shall be one year. The Vice-Chair shall perform all the duties of the Chair in the absence of the Chair, or in the event the Chair of the Board is unable to perform such duties, and shall perform such other duties as are specified by the Board.

4.3 Secretary. The Board may appoint the Authority's Secretary or may delegate the appointment of the Authority's Secretary to the Administrator; provided that if the Administrator position has been removed, then the Board shall appoint the Authority's Secretary. If the Board does not elect to appoint an individual of its own choosing as the Secretary, the Secretary shall serve at the pleasure of the Administrator and may be removed at any time, with or without cause, in the sole discretion of the Administrator or, if the Administrator is an entity, the Administrator's governing board or a management-level employee of the Administrator. The Secretary shall be responsible for the minutes and other records of the proceedings of the Board and shall perform such other duties as specified by the Administrator pursuant to the Administrative Agreement, as applicable. If the Board elects to appoint another individual of its own choosing, the Secretary shall perform such other duties as the Board specifies.

4.4 Treasurer and Auditor/Controller. Pursuant to Government Code Sections 6505.5 and 6505.6, the Board may appoint the Authority's Treasurer and Auditor/Controller (in which case the Treasurer and/or Auditor/Controller shall serve at the Board's discretion) or may delegate the appointment of the Authority's Treasurer and Auditor/Controller to the Administrator; provided that if the Administrator position has been removed, then the Board shall appoint the Authority's Treasurer and Auditor/Controller. If the Administrator is an entity, it may appoint its senior financial officer (such as its chief financial officer, director of finance, or finance manager, as designated by the Administrator) as the Treasurer and Auditor/Controller. The Treasurer shall be the depository and have custody of all money of the Authority, from whatever source, and shall have all of the duties and obligations set forth in Sections 6505 and 6505.5 of the Government Code. However, in no event shall any person or entity that is not a public agency or an employee of a public agency be appointed as Treasurer or Auditor/Controller or have authority to have custody of Authority monies, and the Authority will establish a depository account with a financial institution on behalf of and in the name of the Authority for purposes of holding the Authority's money. The Treasurer shall also manage the Authority's billing and cash management, financial reporting and debt; engage the independent auditor to review the Authority's financial statements; and report to the Authority's Executive Director or to the Administrator if no Executive Director has been appointed. Subject to the limitations set forth in this Section 4.4, the offices of Treasurer and Auditor/Controller may be held by separate individuals, or combined and held by one individual as the Board may elect. If the Board does not elect to appoint another individual of its own choosing as the Treasurer and Auditor/Controller, the Treasurer and Auditor/Controller shall serve at the pleasure of the

Administrator and may be removed at any time, with or without cause, in the sole discretion of the Administrator or, if the Administrator is an entity, the Administrator's governing board or a management-level employee of the Administrator.

4.5 Administrator.

4.5.1 Generally. The Board shall select the Administrator, which shall provide management and administrative services for the Authority, as more specifically described in Section 4.5.2, below. CCWD shall serve as the initial Administrator, and its rights and responsibilities in that role shall be set forth in the Administrative Agreement, or other agreement between CCWD and the Authority. The Board may, in its discretion, upon the termination or assignment of the Administrative Agreement, appoint a subsequent Administrator to replace CCWD, may transfer some or all of the Administrator's duties to the Executive Director appointed under Section 4.6, below, or may combine the Administrator's position with the Executive Director; subject, however, to ensuring that any contractual obligations CCWD has undertaken with respect to the administration of the Project, including under the Early Funding Agreement, are met. Until such time as an Executive Director is appointed, the Administrator shall oversee and manage any consultants and (if any) employees of the Authority, and the Administrator shall report to the Board. After an Executive Director is appointed, the Administrator shall report to the Executive Director and be subject to the Executive Director's supervision, subject to compliance with any existing contractual obligations of the Administrator.

4.5.2 Administrator Services. Subject to the Board's revision of duties of the Administrator, which may be transferred to the Executive Director in the Board's discretion, the Administrator shall perform all services reasonably necessary for the management and administration of the Authority including, but not limited to:

- (a) coordinating the planning, design, permitting (including compliance monitoring), operations modeling and analysis, and procurement activities necessary to construct and operate the Project, including through funds provided by the Early Funding Agreement, which CCWD shall continue to manage as the initial Administrator, and Interim Funding Agreement;
- (b) coordinating and preparing for Board meetings;
- (c) identifying and selecting key staff that will provide services to the Board and the Authority, including staff who may potentially serve as Secretary and Treasurer and Auditor/Controller, as the Board or Administrator may determine;
- (d) being responsible for the appointment, employment, management, and/or termination of any personnel (other than the Executive Director and Authority attorney), contractors, or consultants providing services to the Authority including, but not limited to, contractors and consultants necessary for the planning, design, permitting and procurement of the Project;
- (e) performing administrative tasks related to the Board's selection and appointment of the Executive Director and Authority attorney;
- (f) implementing the policies, decisions, and directions of the Board, as provided to the Administrator;

- (g) conducting communications and outreach support and website hosting;
- (h) coordinating and conferring with the Members' technical staffs relative to Project-related functions; and
- (i) such other duties as are determined by and assigned by the Board.

4.5.3 Compensation. The Administrator shall be compensated for the services it renders to the Authority as specified in the Administrative Agreement, or in any other contractual arrangement between the Administrator and the Authority.

4.5.4 Administrator Staff. If the Administrator is an entity, the Administrator shall identify key staff that shall provide services required of the Administrator, including one employee who shall serve as the main point of contact for the Authority. Such key staff identified by the Administrator shall be qualified to perform services required of the Administrator. Unless otherwise agreed in writing by the Authority, such key staff shall at all times remain under the exclusive direction and control of the Administrator and the Authority shall not have any right to discharge or discipline any member of the Administrator's staff. Subject to payment by the Authority as provided in the Administrative Agreement or other agreement, the Administrator shall be responsible for all compensation, supervision, and administrative costs relating to its staff. If the Administrator is an individual, the Administrator shall coordinate the retention of any outside staff with the Board and obtain approval of such staff positions from the Board before hiring or retaining any such staff.

4.5.5 Independent Contractor; Authority Employees. Until such time, if any, as the Administrator is hired as an Authority employee, as provided under this Agreement and to the extent allowed by law, the Administrator shall be retained as an independent contractor and not an employee of Authority. No employee or agent of the Administrator shall become an employee of the Authority, except as may be agreed in writing. Any Administrator employees or agents assigned to provide services under this Agreement shall remain under the exclusive control of the Administrator, subject to Section 4.6 if an Administrator's employee serves as Executive Director. The Authority may only create positions of employment with unanimous approval by the Board.

4.6 Executive Director. The Board may appoint an Executive Director to work with the Administrator in connection with the duties specified under Section 4.5.2, above. Upon the appointment of an Executive Director, the Board may transfer any of the Administrator's duties to the Executive Director, as may be feasible based on applicable contractual limitations set forth in the Early Funding Agreement. As determined by the Board, the Executive Director may be an independent contractor; an employee of the Administrator, of a Member or of a non-Member firm or entity; or, upon unanimous approval of the Board, an employee of the Authority. It is contemplated that the Executive Director would report directly to the Board and would manage Authority activities, oversee and manage the Authority's consultants and (if any) employees, ensure that the Board receives appropriate and timely information, supervise the Administrator, including coordinating Project activities with the Administrator, and ensure that the Authority provides services and fulfills its obligations to the Members in accordance with the respective Service Agreements and in accordance with all other Project-related agreements.

4.7 Authority Attorney.

4.7.1 Appointment. The attorney for the Authority shall be appointed by the Board, provided that an individual, office, or firm providing general counsel services to one of the Members shall not serve as the Authority attorney. Such individuals, offices, or firms may, however, provide special counsel services to the Authority. Notwithstanding the above, the general counsel to one of

the Members may provide interim general counsel services until the Board appoints an Authority attorney.

4.7.2 Duties. The attorney for the Authority or a designated deputy shall attend all meetings of the Board; provided, however, that the absence of the Authority attorney shall not affect the validity of any meeting. The attorney shall take charge of all suits and other legal matters to which the Authority is a party or in which it is legally interested. The attorney shall provide legal counsel to the Authority and its Board, ensure the legal sufficiency of all contracts, ordinances, resolutions, and other legal instruments of the Authority, and perform such other duties as the Board specifies, including, but not limited to, obtaining specialized legal services.

4.8 Program Manager. The Board may engage one or more persons or entities to provide program management services as a Program Manager, who shall report to the Executive Director or Administrator if no Executive Director has been appointed. The Program Manager shall coordinate with the Administrator and/or Executive Director regarding various design and construction activities for the Project, including coordination with CCWD and EBMUD in accordance with the Design and Construction Agreement and O & M Agreements with respect to decisions likely to have a cost impact on the Authority and the Members. Such coordination shall include, but not be limited to, budget tracking, scheduling and quality control/quality assurance, with the understanding that CCWD and EBMUD have primary responsibility for the design and construction of their respective facilities, as will be specified in the Design & Construction Agreements. The Program Manager, in consultation with the Executive Director and subject to Board approval in accordance with Authority policies, may contract for additional services that may be required.

4.9 Water Supply Manager. The Board may engage one or more persons or entities to provide the services as a Water Supply Manager, who shall report to the Executive Director or Administrator if no Executive Director has been appointed. The Water Supply Manager shall oversee the operations of the Project in coordination with CCWD as to CCWD-Provided Facilities and any Modified Facilities or New Facilities that CCWD operates, and with EBMUD as to EBMUD-Provided Facilities and any Modified Facilities or New Facilities that EBMUD operates. The Water Supply Manager shall coordinate with all Members who are South Bay Aqueduct Contractors, as well as the SFPUC, regarding operations that will foreseeably impact South Bay Aqueduct facilities. The Water Supply Manager's duties shall include scheduling necessary diversions and deliveries of stored water in response to Members' requests on behalf of the Members, coordinating Members' storage and conveyance needs with CCWD's system operator, tracking the delivery of Services to the Members, and ensuring compliance with all Project agreements, reporting requirements and coordinated operations agreements with the United States Department of Interior, Bureau of Reclamation and the California Department of Water Resources. The Water Supply Manager shall perform his or her duties in accordance with the terms of the Service Agreements and the Facilities Usage Agreements, as well as with operating protocols to be adopted by the Board. The operating protocols shall not unreasonably restrict: (1) CCWD's or EBMUD's ability to manage their respective facilities; or (2) the exercise of the Authority's Capacity Usage Rights expressed in any Facilities Usage Agreement, and as allocated to the Members in the respective Service Agreements. Any Water Supply Manager decision shall be subject to an appeal process to be established by the Board.

4.10 Official Bond. Pursuant to Government Code section 6505.1, the public officer, officers or persons who have charge of, handle or have access to any property of the Authority shall file an official bond in an amount to be fixed by the Board.

4.11 Additional Officers and Employees. The Board shall have the power to appoint additional officers as it deems necessary, and to make modifications to the Authority's organization chart. The Executive Director, upon consultation with the Board and with the Board's required approval, as applicable relative to the hiring of any Authority employees, shall have the power to hire

and terminate employees, assistants, contractors, consultants, and others, as the Executive Director deems appropriate, but subject to the terms of any applicable agreement and to the Authority's bylaws or policies.

ARTICLE 5 COMMITTEES

5.1 Committees. The Board, by a majority vote, may form committees for any purpose. Any such Board action to create a committee shall include the purpose of the committee and details concerning the appointment of the chair and members of such committee.

ARTICLE 6 PROJECT OPERATIONS

6.1 Related Activity. Upon approval by a majority of the Board, one or more of the Members may establish a Related Activity that such Member or Members will undertake through the Authority for matters not deemed to be of general benefit to all Members, provided that no Member shall be involved in any such Related Activity without the approval of its governing body. A specific written Related Activity Agreement between the Member or Members who consented to participate in the specific Related Activity and the Authority shall be established for each Related Activity to set forth the respective obligations, functions, and rights of the participating Members and of the Authority. A budget for each Related Activity shall be established in accordance with Section 7.3, below. The Directors representing the Member or Members who will be involved in financing and implementing the specific Related Activity, or their respective designees, shall constitute a "Related Activity Committee," for purposes of administration and implementation of the specific Related Activity. Notwithstanding the foregoing, no debt shall be incurred by the Authority for a specific Related Activity without the unanimous consent of the Board, and of the Related Activity Committee. Any contributions approved by the Related Activity Committee and approved by the participating Member or Members shall be paid by the participating Member or Members. Such contributions by a Related Activity's Members shall be held and accounted for separately from other Authority monies and any Related Activity expenses or liabilities shall be paid from such monies held on account of that Related Activity. To the extent allowed by law, the Member or Members participating in any Related Activity shall indemnify and hold harmless the Authority and the Members not participating in the Related Activity from any and all claims, demands, damages, liabilities, fines, expenses and related costs and fees, including attorneys' and experts' fees, arising from or related to the particular Related Activity, except to the extent of the Authority's or non-participating Member's negligent or intentional acts or omissions. A Related Activity shall not have a material adverse effect impact, as defined in Section 3.3.4.4, above, on any Member that is not participating in the Related Activity. The unanimous consent of the Board to incur debt for a Related Activity as required pursuant to this Section 6.1 shall be conclusive evidence that such Related Activity has been determined not to have a material adverse effect on any Member that is not participating in such Related Activity.

6.2 CCWD Facilities. In accordance with the voting provisions set forth in Section 3.3.4, above, CCWD will retain a veto right with respect to any decision by the Board that would have an adverse and material effect on either or both of the following: (i) a New Facility or Modified Facility for which CCWD is designated as the builder and operator on Exhibit B hereto, and/or (ii) a CCWD-Provided Facility. CCWD may authorize the Authority to take actions and/or make decisions with respect to those facilities in accordance with the applicable Facilities Usage Agreement, Design & Construction Agreements and O & M Agreements.

6.3 EBMUD Facilities. In accordance with the voting provisions set forth in Section 3.3.4, above, EBMUD will retain a veto right with respect to any decision by the Board that would have an adverse and material effect on either or both of the following: (i) a New Facility or Modified Facility

for which EBMUD is designated as the builder and operator on Exhibit B hereto, and/or (ii) an EBMUD-Provided Facility. EBMUD may authorize the Authority to take actions and/or make decisions with respect to those facilities in accordance with the applicable Facilities Usage Agreement, Design & Construction Agreements and O & M Agreements.

ARTICLE 7 FINANCES

7.1 Fiscal Year. The Fiscal Year of the Authority shall be as defined in Section 1.1 of this Agreement.

7.2 Budget. The Board shall adopt a budget (the "Budget") prior to the start of each Fiscal Year. The Budget may be adopted on a single Fiscal Year or bi-annual basis, in the Board's discretion. The Budget shall include components to fund the Authority's administrative and operational costs, debt service on any Bonds and any capital improvements; provided the Authority shall provide the Members with the draft capital component of the Budget at least six (6) months prior to the start of the Fiscal Year(s) to which the proposed Budget relates. The Board may update and revise the Budget as necessary throughout the period to which the Budget applies. The Budget shall equitably allocate expenses under the Budget to a Member in proportion to that Member's proportionate use of Project facilities, operational priorities and other benefits, as determined in accordance with the Member's Service Agreement, or if a Member's Service Agreement is not in place, the Interim Funding Agreement or any other funding agreement specified by the Board in accordance with Section 7.7, below. The Budget shall take into account any non-monetary contributions being received from Grassland Water District. The Authority shall coordinate with CCWD regarding the establishment of the capital components of the Budget to ensure that costs are properly allocated as between the Authority and CCWD. The contributions approved by the Board shall be paid by the Member Agencies pursuant to Section 7.5, below. Any Member which has opted under Section 7.6, below, to self-fund its share of a specific portion of Project capital costs through a lump sum contribution, rather than financing that contribution through participating in the Authority's Bonds, shall not be required to make further payments under the capital component of the Budget until that lump sum contribution is exhausted and further contribution from that Member is necessary to meet that Member's share of Authority capital costs that would be payable under the Budget. Any funds contributed by a Member that are not used in a Fiscal Year shall roll over to the subsequent Fiscal Year's Budget.

7.3 Specific Related Activity Budgets. In addition to the foregoing Budget, Authority staff, in consultation with the applicable Related Activity Committee, shall develop a budget for any Related Activity established in accordance with Section 6.1, above. The Related Activity Committee shall recommend such Related Activity budget for approval by the Board, which may then approve that Related Activity budget by majority vote in accordance with Section 3.3.1. Any contributions approved by the Related Activity Committee and approved by the participating Members shall be paid by the participating Member Agencies pursuant to Section 7.5, below.

Each Related Activity budget shall include, without limitation, the following:

- (a) Administrative expenses;
- (b) Studies and planning costs;
- (c) Engineering and construction costs;
- (d) The allocation of costs, including debt service costs, if any, among participating Members;
- (e) Annual maintenance and operating expenses for the Related Activity,

including any reserve requirements necessitated by the Related Activity; and

- (f) A formula for allocating annual maintenance and operating expenses, if any.

7.4 Failure to Obtain Budget Approvals. In the event the Board does not approve the Budget or any Related Activity budget prior to the start of a Fiscal Year, the Authority shall continue to operate at the level of expenditure as authorized below:

7.4.1. Operating Expenses. The operational cost components of the Budget shall be set at the expenditure level authorized by the last approved Budget, and the allocation of such Costs of Service to each Member shall be in proportion to the allocation of such costs in the last approved Budget. Any shortfall in revenues for such operational cost components will be made up from available reserves dedicated by the Board for such a purpose, and if those available reserves are insufficient to cover the shortfall, any other available reserve funds not designated by the Board for other purposes or otherwise not legally restricted may be used to meet that shortfall. Such reserves shall be drawn from among the Members in proportion to the allocation of Costs of Service in the last approved Budget. In the event that a shortfall in available funds exceeds available unrestricted reserves of the Authority, such resulting unfunded shortfall shall be carried forward into the subsequent Fiscal Year. Members shall have no obligation to cure such unfunded shortfall other than as may be provided in the applicable Service Agreement or, if applicable, Related Activity Agreement. As used herein, “reserves” shall mean any available unrestricted cash or investments.

7.4.2. Debt Service. The debt service component of the Budget shall automatically be established at the required level necessary to meet the Authority’s annual debt service requirements, including any revenue coverage covenants and the allocation of any applicable Costs of Service to each Member shall be in proportion to the allocation of such costs in the last approved Budget.

7.4.3. Capital Costs. The capital component of the Budget shall automatically be established at the required level necessary to implement capital projects previously approved by the Authority and the allocation of any applicable Costs of Service to each Member shall be in proportion to the allocation of such costs in the last approved Budget.

7.5 Payments of Amounts Due; True-Up of Costs. The payments owed for contributions from each Member to the Authority shall conform to amounts payable, or any non-monetary contributions to be provided to the Authority, under each Member’s Service Agreement and in accordance with the Budget approved by the Board pursuant to Section 7.2, above, and any Related Activity Budget under Section 7.3, above. Amounts to be paid to the Authority may be divided into a fixed, annual component and a variable component payable on a monthly or other periodic basis as authorized by the Board.

7.6 Member Self-Funding of Project Capital Costs. Notwithstanding any other provision of this Agreement, a Member may elect to self-fund its share of capital costs for specific Project components to be constructed, with the proportion and timing of that self-funding determined under the Member’s Service Agreement, in lieu of participating in the issuance of Bonds for that Project component. Any such self-funded payments, including remaining unexpended funds deposited in a previous Fiscal Year, shall be used to offset that Member’s share of Project capital costs applicable to that specific Project component that are included in the applicable component of the Budget, until such time as the self-funded amount has been exhausted. In the event the Authority, in its discretion, determines an additional funding contribution from a Member who has self-funded is needed, then the Authority may provide written notice to that Member of the need to deposit additional monies

with the Authority, in such amounts as the Authority, acting through its Administrator or Executive Director, shall determine in its reasonable discretion. The Member shall deposit that amount within six (6) months of receipt of notice from the Authority. The Authority shall refund or credit to a Member who has self-funded any remaining unexpended funds contributed by that Member within sixty (60) days of the completion of the specific component of the Project for which that Member has made self-funded payments, unless the Board finds and determines that the return or credit of such unexpended funds would adversely impact the Authority's financial condition.

7.7 Funds, Accounts and Reports. There shall be strict accountability of all funds and reporting of all receipts and disbursements, including through operation and maintenance and capital reserve accounts.

7.7.1 Sources of Funds. The sources of funds available to the Authority may include, but are not limited to, the following:

- (a) Grants, donations, and loans received by the Authority from local, state, or federal agencies, including any amounts received under the Early Funding Agreement. Such funds can be used for any Project facility.
- (b) Funds collected from Members under the Service Agreements and any Related Activity Agreements.
- (c) Funds collected from Members, including, but not limited to, funds paid pursuant to the Interim Funding Agreement.
- (d) Funds received from state and federal disaster relief agencies.
- (e) Funds obtained by issuing Bonds.
- (f) "In kind" contributions from Members, include refuge resources provided by Grassland Water District; provided that the Board shall establish a procedure to ensure that any "in kind" contributions comply with any applicable contractual or regulatory requirements and are fair and reasonable in relation to the benefits provided to the contributing Member, and further the Authority's interests.
- (g) Funds from any other source derived.

7.7.2 Interim Funding Plans. The Members intend for the Authority to fund initial Authority costs through the Interim Funding Agreement, and other agreements and revenue sources available to the Authority for such purposes. Notwithstanding the foregoing, in the event the Board unanimously determines that certain costs cannot be funded through such revenue sources and additional monies are required to be contributed by the Members, each Member agrees that it will contribute to a fund or budget approved by the Board in such proportion as the Board shall reasonably determine, as set forth in this article, taking into consideration any non-monetary contributions being received from Grassland Water District. Notwithstanding the foregoing, any financial obligation of the City and County of San Francisco, acting through the San Francisco Public Utilities Commission as a Member of the Authority, payable pursuant to this section is subject to Section 7.12.

7.7.3 Long-Term Funding Plans. The Members intend that all Authority activities will ultimately be funded through various Service Agreements, and Related Activity Agreements, if

any, under which the Members will pay or otherwise contribute for services provided by the Authority. The Members intend that the aforementioned agreements will, when taken together, be sufficient to fund all activities of the Authority, including, but not limited to, all administrative, capital and/or debt service expense, and operation and maintenance costs of the Authority, the Project and Related Activities.

7.7.4 Accounts. Revenues or funds received or made available to the Authority from any source whatsoever, shall be deposited into accounts that may be established by the Authority, and may be expended by the Authority in any legal manner, subject to such reservations as may be imposed by the Authority from time to time.

7.7.5 Reports. The Treasurer shall, within one hundred and eighty (180) days after the close of each Fiscal Year, give a complete written report of all financial activities for such Fiscal Year to the Board and to each Member. The Authority's books and records shall be open to inspection at all reasonable times by representatives of each Member. The Treasurer shall prepare and provide such additional reports, including audited financial statements and ongoing disclosure reports, as are required by separate agreements entered into by the Authority.

7.8 Payments and Advances. No expenditures in excess of those budgeted shall be made unless otherwise approved by the Authority's Board.

7.9 Audit. In accordance with Sections 6505 through 6505.6 of the Government Code, the Treasurer shall cause an annual audit of the accounts and records of the Authority to be made and reported. The audit shall be conducted by an independent certified public accountant or public accountant. The audit shall conform to generally accepted auditing standards. Such report shall be filed within twelve (12) months of the end of the Fiscal Year under examination.

7.10 Procurement Methods. The Board may adopt such policies relating to procurement of services, equipment, supplies, and other materials needed to accomplish the purposes of this Agreement.

7.11 Reserve Accounts. The Authority and each Member shall establish in that Member's Service Agreement, or in any Related Activity Agreement, and each Member shall pay into, reserve accounts established for administrative, operational, debt service and capital costs. The respective Service Agreements and, if applicable, Related Activity Agreements, shall specify how the reserve accounts will be replenished in the event such reserves are used. The Authority shall hold those reserves to provide readily available funds in the event a Member is not able to pay its share of the applicable type of costs as provided in that Member's Service Agreement and herein.

7.12 San Francisco Certification of Funds, Budget and Fiscal Provisions.

7.12.1 The financial obligations of the City and County of San Francisco (the "City," acting through the SFPUC as a Member of the Authority) under this Agreement, including all related agreements such as a Service Agreement to which it is a party or a Related Activity Agreement to which it is a party, are subject to and contingent upon the budget and fiscal provisions of the City and County of San Francisco's Charter. Except as provided in Section 7.12.2, below, for each budgetary cycle of the City, charges may accrue to the SFPUC for such budgetary cycle only after the prior written certification of the City's Controller, and the amount of the SFPUC's financial obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization, as required under Charter Sections 3.105 and 9.113. The SFPUC's financial obligations under this Agreement will terminate without penalty, liability or expense of any kind to the SFPUC at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year, subject to the one (1) year suspension process described in this Section 7.12.1. If funds

are appropriated for a portion of the fiscal year, the SFPUC's financial obligations under this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated, subject to the one (1) year suspension process described in this Section 7.12.1. The SFPUC has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. This section controls against any and all other provisions of this Agreement, except Section 7.12.2 and Section 8.4.2. In the event the City fails to appropriate adequate funds in any fiscal year to meet the City's financial obligations under this Agreement, or fails to timely obtain the certification described in Section 7.12.2 relating to funding commitments for the Project or a Related Activity, the Authority may, in the sole discretion of the Authority's Board of Directors, suspend any benefits the City would receive from this Agreement until such time as all financial obligations owed to the Authority under this Agreement are satisfied, provided that the Authority has first given the City a minimum of sixty (60) days' advance written notice of such suspension. If the City does not satisfy its financial obligations under this Agreement following receipt of the Authority's written notice for a period of one (1) year from the effective date of the suspension, the City shall be deemed to have withdrawn from the Authority, including the withdrawal of its representative Director from the Board. The Authority shall not impose interest on the City's financial obligations under this Agreement during this one (1) year period. If the SFPUC is deemed to have withdrawn from the Authority under this Section 7.12.1, the SFPUC's financial obligations under this Agreement shall not be governed by the provisions of Section 8.4.1, but Section 8.4.2 shall apply and the SFPUC shall be responsible for its share of the costs incurred by the Authority up until the end of the last fiscal year for which funds were appropriated, or the end of the term for which funds were last appropriated in the event that funds are appropriated for a portion of the fiscal year.

7.12.2 The financial obligations of the City under a Service Agreement to which it is a party or a Related Activity Agreement to which it is a party, may include an SFPUC commitment to (1) participate in Bonds issued to fund the Project's capital costs, (2) participate in Bonds issued to fund a Related Activity's capital costs or (3) indebtedness evidencing the SFPUC's obligation to fund the City's share of capital costs of the Project or the Related Activity, as applicable, specified in the related Service Agreement or Related Activity Agreement. Notwithstanding Section 7.12.1, above, any SFPUC funding commitment described in (1), (2), or (3) in the previous sentence shall be subject to the requirement in San Francisco Charter Section 9.111 that the City Controller certifies that sufficient unencumbered balances are expected to be available in the proper fund to meet all SFPUC payment obligations as they become due, as well as the terms and conditions contained in any debt instrument, which may include a pledge by the SFPUC of certain SFPUC rate revenues, which certification must be obtained prior to the time the Authority commits to issue Bonds for the Project or Bonds for a Related Activity, as applicable, and shall not be subject to the City Controller certification requirements of Charter Sections 3.105 and 9.113. Upon receipt of the certification by the City Controller pursuant to San Francisco Charter Section 9.111, SFPUC shall be obligated under any Bonds or other indebtedness described in Items (1), (2) or (3) of this section in accordance with terms of such Bonds or other indebtedness.

7.13 No Commitment to Bond Financing. The execution of this Agreement is not a commitment to participate in any Bonds or to incur debt which will occur, if at all, at a later date.

ARTICLE 8 TERMINATION / AMENDMENT; WITHDRAWAL

8.1 Duration and Termination. Subject to the terms of any agreement between the Authority or CCWD and any state or federal agency, this Agreement shall continue in full force and effect until terminated by action taken by at least three-quarters (3/4ths) (seventy-five percent (75%)) of the Board and ratified by at least three-quarters (3/4ths) (seventy-five percent (75%)) of the governing bodies of the Members. If at any time there are only two (2) Members of the Authority and one (1) of those Members intends to withdraw, the other Member's written consent to terminate this Agreement shall not be unreasonably conditioned or delayed. Notwithstanding the prior provisions of this Section 8.1, this Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distribution of assets, and all other functions necessary to conclude the affairs of the Authority, and the Authority shall have a continuing obligation following termination of this Agreement with respect to the payment of debt service on any Bonds or other outstanding financial commitments of the Authority.

8.2 Amendment. This Agreement may be amended at any time by action taken by at least three-quarters (3/4ths) of the Board and ratified by at least three-quarters (3/4ths) (seventy-five percent (75%)) of the governing bodies of the Members; provided that if the proposed amendment is to change the requirement for unanimous approval of an action required under Section 3.3.3 or relates to the veto right provided by Section 3.3.4, then any such amendment must have unanimous Board approval; and provided further that if the proposed amendment relates to Section 7.12, then any such amendment's approval must include a vote of approval by the SFPUC; and provided further that Exhibit B to this Agreement may be amended by the Administrator or Executive Director, with majority vote of the Board approving such amendment to Exhibit B, to reflect changes to the Project's facilities approved by the Board. Exhibit A shall be updated by the Administrator or Executive Director as necessary to reflect any changes in the Members that occurs with the Board approval required herein for new Members or withdrawing Members. Notwithstanding the foregoing, the number and list of SLDMWA members listed on Exhibit A participating through the SLDMWA may be changed or a SLDMWA member that decides to no longer participate through the SLDMWA may be added to the list of Authority members without requiring amendment of the Agreement.

8.3 Withdrawal. A Member may only withdraw from the Authority as follows:

8.3.1 Failure to Execute Interim Funding Agreement. In the event a Member does not execute the Interim Funding Agreement or other agreement provided under Section 7.7.2 to provide interim funding to the Authority within eight (8) weeks after that Member receives the execution version of that agreement, or such later date as the Board shall establish, or does not agree in writing to make the financial contributions described in Section 7.7.2 within twelve (12) weeks of receiving a written demand from the Authority for it do so, that Member shall be deemed to have withdrawn from the Authority and shall have no further rights or obligations under this Agreement, except as provided in Section 8.4.

8.3.2 Failure to Execute Service Agreement. In the event a Member decides not to proceed with the completion of its Service Agreement and provides written notice to the Authority of that decision, or does not execute its Service Agreement within twelve (12) weeks after that Member receives the execution version of that agreement, or such later date as the Board shall establish, that Member shall be deemed to have withdrawn from the Authority and shall have no further rights or obligations under this Agreement, except as provided in Section 8.4.

8.3.3 Engineer's Estimate is Too Expensive. Subject to Section 8.3.8, in the event that a Member concludes the engineer's estimate for any work on a specific component of the Project is too expensive, then a Member may initiate a meet and confer process among the Members'

respective staffs to discuss those cost issues, which meeting shall take place within thirty (30) days after the Member gives notice of its desire for that meeting. If upon conclusion of that meet and confer process the Member that initiated that process is not satisfied with the estimate, then that Member may withdraw from the Authority upon at least sixty (60) days' written notice to the other Members.

8.3.4 Withdrawal of Other Member. Subject to Section 8.3.8, in the event that another Member has withdrawn from the Authority under this Section 8.3 and the result of such withdrawals has made remaining in the Authority either cost prohibitive for a Member or adversely affects the operational feasibility of the Project for that Member, then that Member may withdraw from the Authority upon at least sixty (60) days' written notice to the other Members.

8.3.5 Revocation or Unacceptable Conditioning of State or Federal Funding. In the event the State of California or the federal government withdraws any previously approved funding for a specific component of the Project or conditions such funding in a manner a Member deems unacceptable prior when the Authority executes the Final Funding Agreement, then any Member may withdraw from the Authority upon at least sixty (60) days' written notice to the other Members.

8.3.6 Unacceptable Permit Conditions. Subject to Section 8.3.8, in the event any entity or jurisdiction whose approval must be obtained to design, construct, or operate a specific component of the Project conditions its approval in a manner a Member deems unacceptable, such Member may withdraw from the Authority upon at least sixty (60) days' written notice to the other Members.

8.3.7 Water Supply Conditions for Withdrawal. Subject to Section 8.3.8, in the event a Member determines that it cannot timely obtain: (i) long-term water supply for the Project, including any necessary water rights, upon terms it finds reasonable and consistent with its needs and objectives; (ii) any rights or entitlements needed to acquire or convey such a water supply; or (iii) agreements with the California Department of Water Resources, the South Bay Aqueduct (SBA) Contractors or any other entity to allow for the conveyance of water supplies through the SBA or other conveyance facility for use by the Member or any of its wholesale customers, that Member may withdraw from the Authority upon at least sixty (60) days' written notice to the other Members.

8.3.8 Approval once Final Funding Agreement is Executed. Notwithstanding the foregoing subsections in this Section 8.3, after the Authority executes the Final Funding Agreement, a Member may withdraw from the Authority only if (a) approved by at least seventy-five percent (75%) of the total number of Directors, who must find and determine in connection with such approval that there would be no adverse and material effect, as defined in this Section 8.3.8, or (b) if some or all of the other Members have agreed to assume the withdrawing Member's obligations under such Bonds to finance Project facilities described on Exhibit B, and/or have agreed to assume the withdrawing Member's outstanding payment of capital costs to which it has committed in its Service Agreement. For purposes of this Section 8.3.8, "adverse and material effect" means any effect that would result in a downgrade or suspension on the rating of the Bonds or cause delays or increased costs with respect to construction of the Project. Where the withdrawal of a Member pursuant to this Section 8.3.8 does not occur with the approval of the Board in accordance with subdivision (a), then notwithstanding the assumption of the withdrawing Member's obligations with respect to any Bonds or payment of capital costs, as applicable, if the Member or Members assuming those obligations fails or fail to make the assumed portion of any debt service payment or capital costs, as applicable, the withdrawing Member shall be obligated for any such shortfall in payment, for as long as such Bonds remain outstanding or until construction of the Project component has been completed, as applicable. Notwithstanding any withdrawal permitted under subdivision (b) of this Section 8.3.8, a Member, or its successor if applicable, shall remain obligated under this Agreement to make any payments with respect to any specific component of the Project to which that Member

previously committed, either as self-funded or under any Bonds. Such a withdrawing Member shall have no obligation under this Agreement for any financial commitments for any specific component of the Project in which the withdrawing Member did not commit to participate prior to its withdrawal. The Authority shall not issue Bonds for any specific component of the Project before all construction bids for that component have been received and any meet and confer process undertaken pursuant to Section 8.3.3 has concluded.

8.4 Effect of Withdrawal.

8.4.1 A withdrawal from the Authority constitutes a withdrawal of that Member's representative Director from the Board and from any committee on which that Director is serving, including in the event a Member's obligations under any Bonds have been assumed by another Member as stated in Section 8.3.8, above, so that the assuming Member does not obtain a second Director position by reason of its assumption of those obligations. If at any time there are only two (2) Members, any desired withdrawal shall be subject to the termination provisions of this Agreement. Unless otherwise agreed upon by all of the remaining Members, the withdrawal of a Member shall not terminate its responsibility to contribute its share of any obligation incurred by the Authority on or before the date the withdrawing Member gives written notice of intent to withdraw, as determined by the Board based upon that Member's obligations under the Interim Funding Agreement, its respective Service Agreement (if the Member has executed that agreement), or otherwise under this Agreement, or to perform any other obligation arising from a separate agreement or other legally binding obligation, including amounts determined by the Board for (1) liabilities and claims accrued during the time prior to that Member giving written notice of intent to withdraw, or is deemed to have withdrawn (including any future obligations arising from retirement benefits for past and existing employees of the Authority, if any), or (2) budgeted expenses for the Budget period in which notice of intent to withdraw is given. A withdrawing Member therefore shall remain obligated to pay its portion of debt service on any outstanding obligations for which such Member was obligated to pay prior to withdrawal, or remain obligated to pay any portion of ongoing capital costs for a Project component in which the withdrawing Member was participating prior to such withdrawal.

8.4.2 Except as the withdrawing Member may agree in writing with the Authority, the withdrawing Member shall automatically relinquish all rights as a Member under this Agreement, on the effective date of the withdrawal and shall not accrue any financial obligations under this Agreement or any other Project-related agreement after the date that notice of intent to withdraw is given. The withdrawing Member's share of Project rights and benefits shall be distributed among the remaining Members in proportion to their allocations of such rights and benefits as of the effective date of the withdrawal, unless the Members otherwise agree to a different distribution; provided, however, that the distribution of the withdrawing Member's share of Project rights and benefits shall not occur until such time as the Board confirms the proportionate distribution of those rights and benefits or approves the plan for such distribution.

8.4.3 For any Member that has self-funded any financial obligation to the Authority for a specific component of the Project and subsequently withdrawn from the Authority, the Board shall determine an equitable allocation of such monies previously paid to the Authority and return to that withdrawing Member any uncommitted funds, provided that any such refund may be structured to ensure it does not materially adversely impact the Authority's financial condition. The Board's determination of that equitable allocation shall take into consideration the amount of Project costs that have been paid through payment of principal under any Bonds issued in the period since the withdrawing Member self-funded its financial obligation.

8.5 Disbursement Upon Termination; Post-Termination Liabilities. Upon termination of this Agreement and after payment of all liabilities, costs, expenses, and charges validly incurred under this Agreement, the Board may, in its discretion and by a unanimous vote of the then-current

Directors, distribute all remaining assets of the Authority based on an apportionment the Board deems equitable. In the event the Board cannot reach a unanimous vote on that distribution, then the Members shall proceed in accordance with Section 11.2 to attempt to resolve any disputed issue in connection with the distribution of assets. Any further liabilities of the Authority that may accrue after termination of this Agreement shall be allocated among the former Members in the same proportion as the Authority's expenses are allocated under the Budget at the time of the termination; provided that the Board shall take into consideration any non-monetary contributions Grassland Water District may provide with respect to its share of such liabilities.

8.6 SLDMWA Member Participation. In addition to adjustments to the SLDMWA members listed in Exhibit A as authorized under Section 8.2, this section authorizes: (1) SLDMWA to assign to a SLDMWA member listed on Exhibit A all of SLDMWA's rights and obligations previously held by SLDMWA as a Member of the Authority (referred to herein as a "substitution"), and (2) for a SLDMWA member listed on Exhibit A to terminate its participation through SLDMWA and for that SLDMWA member to become a member of the Authority (referred to herein as a "change"). A substitution or change may necessitate revisions to SLDMWA's Service Agreement, and any SLDMWA member involved in a change will need to enter into or be assigned rights and obligations under a Service Agreement. Under no circumstance will the rights and obligations of SLDMWA and the SLDMWA members participating separately in the Authority that exist after the substitution or change exceed the rights and obligations of SLDMWA that existed prior to the substitution or change. To the extent the terms of this section conflicts with the terms of any other section of the Agreement or any other agreement referenced herein, the terms of this section shall control.

8.6.1 Substitution. If SLDMWA and a SLDMWA member notify the Authority of their intent for the SLDMWA member to substitute for SLDMWA as a Member of the Authority, such substitution will take effect immediately upon notice, with the SLDMWA member assuming all rights and obligations previously held by SLDMWA as a Member of the Authority.

8.6.2 Change. If one or more SLDMWA member(s) notifies the Authority of the intent to participate in the Authority separate from SLDMWA, but two or more SLDMWA members will maintain their participation in the Authority through SLDMWA, then such change will take effect immediately upon notice. To be effective, the notice will inform the Authority of how the rights and obligations of SLDMWA that existed prior to the change will be exercised by SLDMWA and the SLDMWA members after the change. In the event a change occurs, then SLDMWA and the applicable SLDMWA member agency(ies) must determine how they will address any resulting governance issue, but the change shall not result in any increase in the voting power of SLDMWA and any SLDMWA member agency participating in the Authority as a result of that change, and SLDMWA and any such member agency(ies) shall not obtain more than a total of one (1) vote by reason of that change on matters coming before the Board, unless such SLDMWA member agency proceeds under the new member provisions of Section 10.3.

ARTICLE 9

BREACH AND MEMBERSHIP TERMINATION

9.1 Compliance with Agreement. Each Member shall comply with the terms of this Agreement and fulfill its obligations hereunder, as well as under its Service Agreement, including all financial obligations it undertakes in connection with the Project.

9.2 One-Year Suspension Period – Monetary Breaches. If any Member fails to meet that Member's financial obligations under this Agreement, the Authority may, in the sole discretion of the Authority's Board of Directors, suspend any benefits that Member would receive from this Agreement until such time as all of that Member's financial obligations owed to the Authority under this Agreement are satisfied, provided that the Authority has first given that Member a minimum of

sixty (60) days' advance written notice of such suspension. If that Member does not satisfy its financial obligations under this Agreement following receipt of the Authority's written notice for a period of one (1) year from the effective date of the suspension, that Member shall be deemed to have withdrawn from the Authority and the provisions of Section 8.4 shall apply. The Authority shall not impose interest on that Member's financial obligations under this Agreement during this one (1) year period. Notwithstanding the foregoing, if the Member's breach relates to a failure to pay administrative and/or operational expenses, that Member shall not be subject to termination until such time as that Member's funds held by the Authority as administrative and/or operational reserves are exhausted. For the purposes of this Section 9.2, any failure by SFPUC to appropriate adequate funds in any Fiscal Year to meet its obligation under its Service Agreement or other financial obligations under this Agreement is not a breach of this Agreement and Section 7.12 shall apply.

9.3 Breach of Agreement – Non-Monetary Breaches. In the event the Board determines a Member has breached any non-monetary obligation under this Agreement by failing to perform any obligation hereunder, other than the payment of monies to the Authority, the Authority shall give that Member written notice of that breach and an opportunity for sixty (60) days to cure that breach, or such longer period of time as the Board determines is reasonable, in its sole and absolute discretion, to cure the breach. If that Member fails to cure that breach within that sixty (60) day or longer period, then that Member may have its rights under this Agreement terminated and may be excluded from further participation in the Authority by the vote of at least three-quarters (seventy-five percent (75%)) of the total number of Directors. Any such termination shall be deemed a withdrawal from the Authority for the purposes of Section 8.4, and such defaulting Member shall continue to be liable for its obligations to the extent and as provided in Section 8.4, including, but not limited to, such defaulting Member's obligation to pay its share of any debt service on any outstanding Bonds, or its share of any capital costs relating to a specific Project component.

9.4 Enforcement. Subject to the one-year suspension period under Section 9.2 with respect to any Member's failure to meet its financial obligations, if a Member defaults in any undertaking contained in this Agreement, that default shall not excuse such Member or any other Member from fulfilling its obligations under this Agreement and each Member shall continue to be liable for the performance of all conditions herein contained. Each Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby and for each Member and hereby grants to the Authority the right to enforce by whatever means, legal and equitable, the Authority deems appropriate in consideration of all obligations of each of the Members hereunder. The foregoing provisions in this Section 9.4 do not pertain to any failure by SFPUC to appropriate adequate funds in any Fiscal Year to meet its obligation under its Service Agreement or other financial obligations under this Agreement. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

ARTICLE 10 SPECIAL PROVISIONS

10.1 Insurance. The Authority shall maintain types and levels of insurance coverage for the Authority as the Board determines to be reasonably adequate.

10.2 Liability of Authority and Members.

10.2.1 To the full extent authorized by Government Code Section 6508.1, the debts, liabilities, and obligations of the Authority, with the exception of retirement liabilities of the Authority if the Authority contracts with a public retirement system, shall be the debts, liabilities, and obligations solely of the Authority and not the debts, liabilities, and obligations of any of the Members or any of their respective members, officers, directors, employees, or agents. The Authority, its Directors,

officers, employees, staff, and agents shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement.

10.2.2 No Member, its officers, directors, or employees shall be responsible for any action taken or omitted by any other Member, or its members, officers, directors, or employees. To the extent allowed by law, the Members repudiate the provision for joint and several tort liability provided under Government Code Section 895.2, and agree, pursuant to Government Code Section 895.4, that each Member shall fully indemnify and hold harmless each other Member and its agents, officers, employees, and contractors from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney fees, arising out of, resulting from, or in connection with any negligent or wrongful act or omission of such Member in the performance of this Agreement, and the Members intend that each Member provide indemnity or contribution in proportion to that Member's responsibility for any such claim, damage, loss, judgment, liability, expense or other cost, as determined under principles of comparative negligence.

10.3 New Members. It is recognized that public agencies other than the original Members to this Agreement may wish to participate in the Authority. As determined by the Board of Directors, in its sole discretion, any such public agency must have the common powers specified in Recitals A and B, above, must be located within the Project Service Area, must be credit worthy, and must provide benefits to the Project and other Members. Any proposed new Member must meet all established principles or requirements adopted by any Member with respect to potential participation in the Project that are in effect at the time the proposed new Member applies to become a Member. Additional public agencies may become Members upon such terms and conditions as approved by at least a simple majority vote of the Board, including establishment of an appropriate cost allocation for that new Member and payment by the new Member of an acceptable financial contribution to offset prior expenses incurred by the existing Members in developing and operating the Project. Any new Member must be approved by at least a simple majority of the governing boards of the existing Members of the Authority, evidenced by the execution of a written amendment to this Agreement signed by the new Member. Notwithstanding the foregoing, a change in the SLDMWA's participation structure shall be governed by Section 8.6, unless a SLDMWA member elects to pursue membership pursuant to this Section 10.3.

10.4 Retirement System. The Authority shall not enter into a contract with the California Public Employees' Retirement System or any other public retirement system without the unanimous approval of the Board and ratification by all of the governing bodies of the Members. The Members acknowledge that if the Authority enters into any such contract, as referenced in Section 10.2, above, the Members may have responsibility under Government Code Section 6508.2 for the Authority's retirement liabilities in the event this Agreement is terminated or the Authority terminates that contract. In such a situation, the Members shall attempt to reach mutual agreement on the allocation of those liabilities among the Members and understand that if they are unable to reach such a mutual agreement, those liabilities shall be allocated among the Members in the same proportion as the Authority's expenses are allocated under the Budget at the time of the termination of this Agreement or of the retirement system contract.

10.5 Indemnity by the Authority. The Authority shall indemnify, defend and hold harmless the Board, each Member, and their members, officers, directors, employees, and agents from and against any and all liability, loss, damages, expenses, costs (including, without limitations, costs and fees of litigation or arbitration) of every nature, arising out of any act or omission related to this Agreement, except such loss or damage which was caused by the negligence or willful misconduct of any Member, or their members, officers, directors, employees, and agents. The Authority's duty to indemnify each Member pursuant to this Agreement shall survive that Member's withdrawal from the Agency.

10.6 Conflict of Interest Code. The Authority shall, by resolution, adopt a conflict of interest code as required by law.

10.7 No Policy Advocacy. The Authority shall only engage in policy advocacy or legislative, lobbying, or governmental affairs activities directly related to the Project, including third party funding and financial issues. Such functions may also be performed by individual Members in their sole discretion.

ARTICLE 11 MISCELLANEOUS PROVISIONS

11.1 Severability. If any section, clause or phrase of this Agreement or the application thereof to any Member or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable, and the remainder of the Agreement or the application of such provisions to any other Member or to other persons or circumstances shall not be affected thereby. In the event a provision is held to be invalid, the Members shall work in good faith to restore the intent of any provision that held to be invalid. Each Member hereby declares that it would have entered into this Agreement, and each subsection, sentence, clause and phrase thereof, irrespective that one or more sections, subsections sentences, clauses or phrases or the application thereof might be held invalid.

11.2 Dispute Resolution. If a dispute arises as to the construction, interpretation or implementation of any portion of this Agreement or any matters that arise in connection with this Agreement, the Members in dispute (including the Authority if the dispute is between one or more Members and the Authority, in which case the Board shall determine who will represent the Authority in the meet and confer and mediation processes) shall meet and confer in person in an attempt to resolve that dispute within thirty (30) days of a Member or the Authority giving the other Members or the Authority notice of the dispute. If the Members or the Authority cannot resolve the dispute through that meet and confer process, the Members or the Authority in dispute shall proceed to non-binding mediation of the dispute in front of an independent, neutral mediator agreed to by those Members or the Authority, unless they both agree to waive that mediation. If the Members or the Authority in dispute cannot agree upon a mediator, the mediation service selected shall choose the mediator. The Members or the Authority in dispute shall equally divide and pay the mediation costs.

11.3 Notices. Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally, by registered or certified mail, postage prepaid, by nationally-recognized overnight courier, or by e-mail to the respective Members, at the addresses provided in Exhibit C attached hereto. With respect to delivery by e-mail, any such e-mail message shall be sent using a system that provides reasonable assurance: (i) that the message was sent; (ii) that the message was delivered to the recipient's information processing system, and (iii) of the time and date the message was delivered to the recipient, along with a verifiable electronic record of the exact content of the message sent. The Members may from time to time change the address to which notice may be provided by providing notice of the change to the other Members.

11.4 Consent. Whenever in this Agreement or in any amendment thereto consent or approval is required, the same shall not be arbitrarily or capriciously withheld or delayed.

11.5 Other Agreements Not Prohibited. Other agreements by and between the Members or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.

11.6 Section Headings. The section headings herein are for convenience of the Members only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.

11.7 Governing Law; Venue. Any judicial action or proceeding that relates to the Agreement, the Authority or the Project between or among any or all of the Members and/or the Authority shall be initially brought in Contra Costa County Superior Court and will be transferred to a neutral venue. The litigants shall attempt to stipulate to a mutually agreeable neutral venue, and if unable to agree will resolve any venue dispute through a motion to transfer brought pursuant to California Code of Civil Procedure section 394. The parties to any litigation will support transfer to a neutral venue and will not object to transfer to a neutral venue.

11.8 Construction of Language. It is the intention of the Members that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid. Additionally, any dispute concerning determination of an “adverse and material effect” pursuant to Section 3.3.4 shall be determined under an arbitrary and capricious standard in connection with the affected Member’s exercise of its veto right.

11.9 Cooperation. The Members recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement.

11.10 Successors. Subject to Section 11.11, this Agreement shall be binding upon and shall inure to the benefit of the successors of the Members.

11.11 Assignment. Except as provided for SLDMWA and the SLDMWA members, a Member may not assign its membership in the Authority without the consent of all of the other Members. Any assignment of a membership in the Authority made under this Section 11.11 upon the consent of all of the other Members will not result in the novation of the assignor Member’s obligations with respect to this Agreement, the Member’s Service Agreement or any other agreement which may obligate the assignor Member, unless such novation is agreed to in writing by such consenting Members, the assignee and the assignor Member. Notwithstanding the foregoing, a Member may assign its rights to utilize the Project in accordance with the provisions of its Service Agreement and any applicable Facilities Usage Agreement; but in such a case, the assignor Member that holds those rights will remain obligated for the payment of debt service, capital costs or operating expenses to the extent such costs are not paid by the assignee. In addition, any such assignment of rights to use of the Project must be consistent with the Project’s permits and approvals and be limited to use within the Project Service Area.

11.12 Enforcement. The Authority is hereby authorized to take any and all legal or equitable actions, including but not limited to an injunction and specific performance, necessary or permitted by law to enforce this Agreement.

11.13 Integration. This Agreement constitutes the full and complete Agreement of the Members regarding the creation and administration of the Authority.

11.14 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

SIGNATURES ON FOLLOWING PAGES

IN WITNESS WHEREOF, the Members have caused this Joint Exercise of Powers Agreement to be executed and attested by their proper officers thereunto duly authorized on the day and year set forth below.

Ed Stevenson, General Manager
Alameda County Water District

Date

Approved as to Form:
Patrick Miyaki, General Counsel

Date

Stephen J. Welch, General Manager
Contra Costa Water District

Date

Approved as to Form:
Douglas E. Coty, General Counsel

Date

Clifford C. Chan, General Manager
East Bay Municipal Utility District

Date

Approved as to Form:
Jonathan D. Salmon, Assistant General Counsel

Date

Ricardo Ortega, General Manager
Grassland Water District

Date

Approved as to Form:
Ellen L. Wehr, General Counsel

Date

Michael Carlin, Acting General Manager
San Francisco Public Utilities Commission

Date

Approved as to Form:
Dennis J. Herrera, City Attorney

Date

By _____
Joshua Milstein
Deputy City Attorney

Date

Federico Barajas, Executive Director
San Luis & Delta-Mendota Water Authority

Date

Approved as to Form:
Rebecca Akroyd, General Counsel

Date

Rick L. Callender, Esq. Chief Executive Officer
Santa Clara Valley Water District

Date

Approved as to Form:
Carlos Orellana, District Counsel

Date

Valerie Pryor, General Manager
Zone 7 Water Agency

Date

Approved as to Form:
Rebecca Smith, General Counsel

Date

EXHIBIT A
AUTHORITY MEMBERS

- Alameda County Flood Control & Water Conservation District, Zone 7
 - Alameda County Water District
 - Contra Costa Water District (to include City of Brentwood*)
 - East Bay Municipal Utility District
 - Grassland Water District
 - Santa Clara Valley Water District
 - San Francisco Public Utilities Commission (to include Bay Area Water Supply & Conservation Agency*)
 - San Luis & Delta-Mendota Water Authority, consisting of:
 - Byron-Bethany Irrigation District
 - Del Puerto Water District
 - Panoche Water District
 - Westlands Water District
- [NOTE: The number and list of SLDMWA-member agencies participating through SLDMWA may change without requiring amendment of this Exhibit A or the Agreement]
- Department of Water Resources (ex officio, non-voting pursuant to Water Code Section 79759(b))

*The City of Brentwood and the Bay Area Water Supply & Conservation Agency are not signatory parties to the JPA, and are not bound by, and do not independently benefit from, its terms and conditions. Rather, these parties contract for project benefits through their wholesale providers.

EXHIBIT B
LIST OF FACILITIES*

No.	Description	Type	Builder	Operator
1	Los Vaqueros Dam Raise	New Facility	CCWD	CCWD
2	Neroly High-Lift Pump Station	New Facility	CCWD	CCWD
3	Transfer Facility Expansion	New Facility	CCWD	CCWD
4	Transfer-Bethany Pipeline	New Facility	CCWD	CCWD
5	Los Vaqueros Recreation Facilities	Modified Facility	CCWD	CCWD
6	Rock Slough PP#1 Replacement	Modified Facility	CCWD	CCWD
7	Transfer Facilities Improvements	Modified Facility	CCWD	CCWD
8	Mokelumne Aqueduct Lining	Modified Facility	EBMUD	EBMUD
9	Walnut Creek VFDs	New Facility	EBMUD	EBMUD
10	Mokelumne Aqueduct	EBMUD-Provided Facility	EBMUD is responsible for construction, operation, and maintenance and is compensated through the EBMUD Facilities Usage Agreement	
11	Freeport Intake	EBMUD-Provided Facility		
12	Walnut Creek Pumping Plant	EBMUD-Provided Facility		
13	EBMUD-CCWD Intertie	CCWD-Provided Facility	CCWD is responsible for construction, operation, and maintenance and is compensated through the CCWD Facilities Usage Agreement	
14	Los Vaqueros Dam	CCWD-Provided Facility		
15	Los Vaqueros Pipeline	CCWD-Provided Facility		
16	Middle River Intake	CCWD-Provided Facility		
17	Middle River Pipeline	CCWD-Provided Facility		
18	Old River Intake	CCWD-Provided Facility		
19	Old River Pipeline	CCWD-Provided Facility		
20	Rock Slough Facilities	CCWD-Provided Facility		
21	Transfer Pipeline	CCWD-Provided Facility		

*This Exhibit B lists those facilities that have been included in various Project application and agreement documents. Some facilities listed on Exhibit B will provide differing levels of benefits (or no benefits) to certain Members. The Service Agreements and Facilities Usage Agreements will address those specific levels of

benefits and related cost allocations. Facilities listed in this Exhibit B are subject to modification as to the nature and type of the facility, and additional facilities may be added to Exhibit B prior to JPA formation as circumstances may warrant, including obtaining of additional state or federal grant funding. No rights to the use of any facility are provided by reason of the listing of that facility on Exhibit B. Such rights of use are only provided through the Facilities Usage Agreements and Service Agreements to be entered into.

EXHIBIT C

MEMBER ADDRESSES

Member	Addresses
Alameda County Water District	43885 S. Grimmer Blvd., Fremont, California 94538
Contra Costa Water District	1331 Concord Avenue, Concord, California 94520 P.O. Box H20 Concord, California 94524
East Bay Municipal Utility District	375 Eleventh Street, M.S. 407, Oakland, California 94607
San Luis & Delta Mendota Water Authority	15990 Kelso Road, Byron, California 94514 P.O. Box 2157, Los Banos, California 93635
Grassland Water District	200 W. Willmott Avenue, Los Banos, California 93635
San Francisco Public Utilities Commission	525 Golden Gate Avenue, 10 th Floor San Francisco, California 94102
Santa Clara Valley Water District	5750 Almaden Expressway, San Jose, California 95118
Zone 7 Water Agency	100 N. Canyon Parkway, Livermore, California 94551
EX OFFICIO MEMBER: California Department of Water Resources	1416 9 th Street, Room 1115-1, Sacramento, California 95814 P. O. Box 942836, Room 1115-1, Sacramento, California 94236-0001

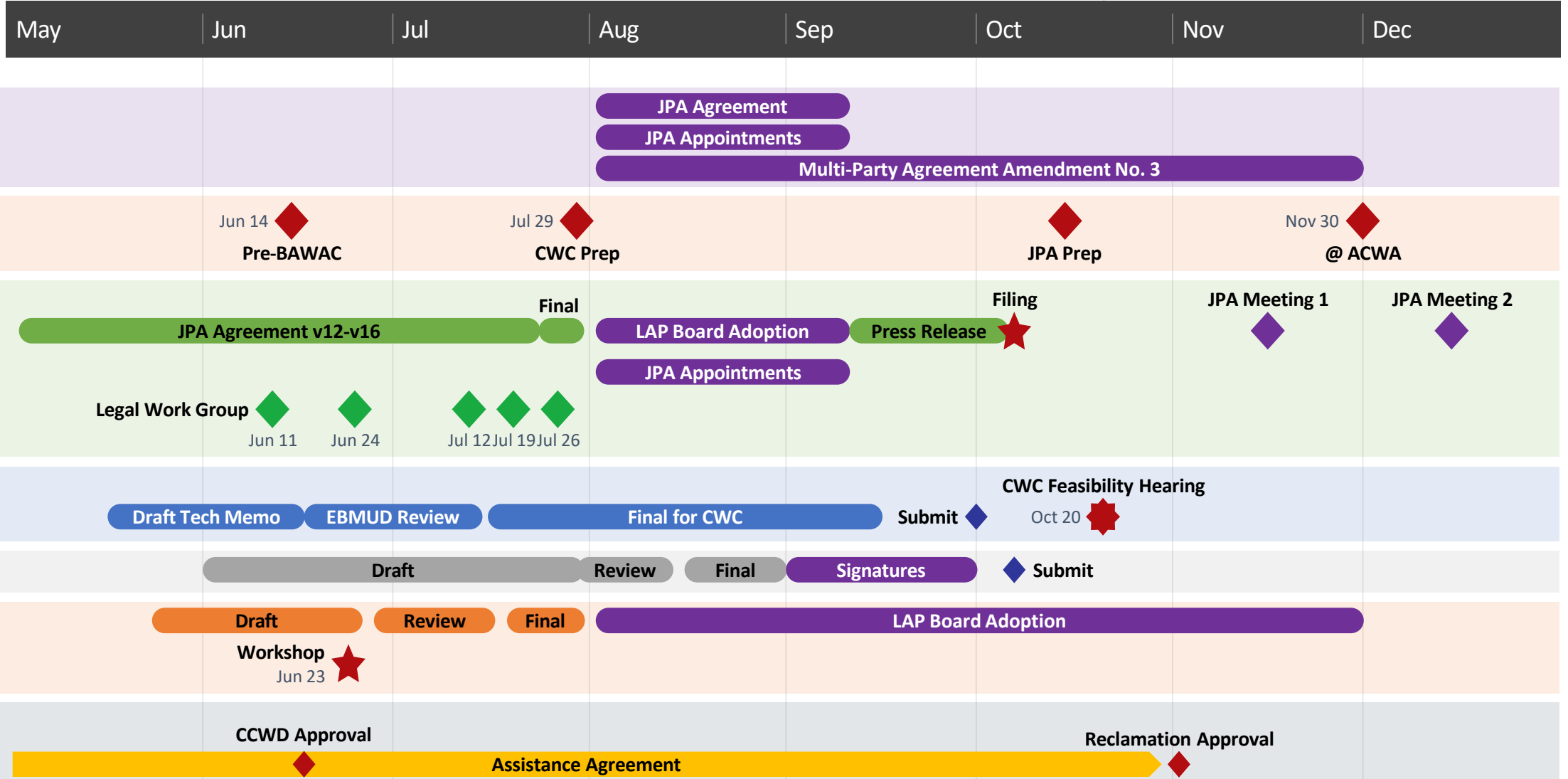
Phase 2 Los Vaqueros Reservoir Expansion Project

Near Term Milestones

Draft 7/23/21

CWC Feasibility Hearing
Oct 20

2021



California Water Commission Requirements prior to 1/1/22:

- ✓ Maximum Conditional Eligibility Determination (\$470,274,000) – Updated Jan 2021
- ✓ Draft Environmental Documentation – Completed June 2017

- ➔ Determination of Feasibility – CWC Hearing on October 20, 2021
- ➔ Letter of Support (demonstrating support for not less than 75 percent of the non-public benefit cost share of the project) – prior to CWC Hearing

The image features a large, scenic landscape of rolling green hills under a clear sky. In the foreground, a winding road leads towards a reservoir. In the background, a line of wind turbines is visible on the horizon. Overlaid on the right side of the image is the project's logo, which consists of the text 'LOS VAQUEROS' in blue, 'RESERVOIR' and 'EXPANSION' in green, and 'PROJECT' in green. To the right of the text is a graphic element made of five stacked, slanted rectangular blocks in a gradient from blue to green.

LOS VAQUEROS RESERVOIR EXPANSION PROJECT

Joint Exercise of Powers Agreement Summary

Overview

- **Los Vaqueros Reservoir Joint Exercise of Powers Agreement (JPA Agreement)**
 - **Establishes a new public agency to provide for governance and administration of the Los Vaqueros Reservoir Expansion Project (Project)**

Background

- **First draft of JPA Agreement distributed in May 2020**
- **Numerous calls among Legal Work Group and Finance Work Group, and with General Managers and senior staff**
- **17 draft versions an indication of thorough review and refinement by all parties**
- **Structure to maintain flexibility for JPA Board; and defer financially-related details to Service Agreements**

Recitals

- **Project background information**
- **Emphasize no binding commitment to the Project by the Partners**
 - **Consensus approach with respect to CEQA compliance**

Article 1 - Definitions

- **Sets forth various definitions**
- **Some defined terms have significant impact on JPA structure and eventual operations**
 - **Costs of Service**
 - **Facility definitions**
 - **Facilities Usage Agreement**
 - **Service Agreement**

Section 1.6 – JPA's Powers

- **29 Powers listed**
- **Power to Issue Bonds limited until JPA executes various agreements**
- **Power to enter into state and federal funding agreements**
- **General powers for normal business operations**

Section 1.7 – Intent of JPA Agreement

- **JPA Members retain flexibility with respect to level and type of Project participation**
 - **Conveyance only**
 - **Pooled storage**
 - **Dedicated storage**

Article 2 – Board of Directors

- **One director per Member**
- **Initial appointments within 30 days after Effective Date (i.e., last Member [CCWD] signs)**
 - **Director – member of Member's governing body or management-level employee of Member**
 - **Alternate – member of Member's governing body or employee of Member**

Article 3 – Board Meetings

- **Voting:**

- **Simple majority = default**

- **New Member – no “adverse and material effect”**

- **Super-majority (3/4ths)**

- **Amendment to JPA Agreement**
 - **Termination of Member**
 - **Termination of JPA Agreement**

- **Unanimous**

- **Commence litigation**
 - **Approve additional contributions**
 - **Disproportionate disbursement on termination**
 - **Employment positions & Cal-PERS**
 - **Amendment re unanimous requirement or regarding veto rights (see next slide)**
 - **Related Activity debt**

Veto Rights for CCWD & EBMUD - Section 3.3.4

- **Veto Rights - Section 3.3.4**
 - **Triggered by “adverse and material effect” on a facility or operational costs**
 - **Once veto raised, JPA can either not proceed with the action or proceed and start meet and confer process**
 - **Member using veto must provide evidence to support the “adverse and material effect”**
 - **Vetoing Member’s Board resolution to state specific findings of “adverse and material effects”**

Article 4 – Officers & Staff/Contractors

- **Chair – annually elected; 5-term limit**
- **Vice Chair**
- **Secretary**
- **Treasurer & Auditor/Controller – public agency involvement required**
- **Administrator – CCWD initially**
- **Executive Director (Board discretion to have)**
- **Attorney**
- **Program Manager – construction-oriented**
- **Water Supply Manager – operations-oriented**

Section 6.1 – Related Activity

- **Allows for less than all Members of the JPA to pursue activities that do not benefit all Members**
- **Approval by majority of JPA Board**
- **Establish separate Related Activity budget**
- **Unanimous JPA Board approval if Bonds to be issued for Related Activity**

Article 7 – Finances

- **Section 7.2 – Budget**
 - **One budget to include operating expenses, debt service and capital costs**
 - **Budget can be 1-year or 2-year at JPA Board's discretion**
- **Section 7.6 – Self-Funding of Capital Costs**
 - **In place of participating in JPA's Bonds**
 - **JPA 6-month notice if additional funds are necessary**
 - **Refund or credit if self-funded monies are leftover**

Article 7 - Finances

- **Section 7.11 – Reserve accounts for administrative, operational, debt service and capital costs**
- **Section 7.12**
 - **San Francisco Charter restriction relates to operational and administrative costs (Sec. 7.12.1)**
 - **1-year suspension period if non-appropriation**
 - **Debt service costs addressed by City Controller certification (Sec. 7.12.2)**

Article 8 – Termination, Amendment & Withdrawal

- **Section 8.1 – Termination of JPA: 3/4ths vote**
- **Section 8.2 – Amendments: 3/4ths vote**
- **Section 8.3 – Withdrawal: 7 Off-ramps:**
 - **Failure to execute Interim Funding Agreement**
 - **Failure to execute Service Agreement**
 - **Excessive costs**
 - **Withdrawal of other Members**
 - **Revocation of state or federal funding or unacceptable funding conditions**
 - **Unacceptable permit conditions**
 - **Water supply conditions**
 - **Off-ramps close once Final Funding Agreement with State is executed (see next page)**

Article 8 – Termination, Amendment & Withdrawal

- **Section 8.3.8 – withdrawal after Final Funding Agreement is executed allowed only if:**
 - **Approval by at least 75% of JPA Directors and no adverse and material effect**
 - **Adverse and material effect = downgrade or suspension of Bond rating; or delays or cost increases to Project construction result from Member's withdrawal**
- OR**
- **If some or all of the other Members agree to assume the withdrawing Member's Bond obligations or other capital cost obligations**

Section 8.6 – SLDMWA Member Provisions

- **Allows for San Luis Delta-Mendota Water Authority members to participate directly in JPA, but not as “New Member” (§ 10.3)**
 - **Substitution – completely replace SLDMWA**
 - **Change – a SLDMWA member joins JPA directly and takes a part of SLDMWA’s interest**
- **Requirement that such participation does not expand the rights and obligations of SLDMWA that existed prior to the substitution or change**
- **If a change, no expansion of SLDMWA and participating member’s voting power**

Article 9 – Breach & Enforcement

- **Section 9.2 – Monetary Breach – provides for 1-year suspension and use of reserve account monies**
- **Section 9.3 – Non-Monetary Breach – 60-day cure period**
- **Section 9.4 – Enforcement – terminated Member has continuing obligations if terminated**

Article 10 – Special Provisions

- **Section 10.2 – Liability of Authority and Members**
 - **General rule is JPA debts are not the debts of the JPA members**
 - **Each Member indemnifies other Members for the indemnifying Member's wrongful acts under the JPA Agreement**
- **Section 10.3 – New Member provision – simple majority vote under Section 3.3.1.1; required monetary buy-in amount TBD by JPA Board**
- **Section 10.4 – Retirement system participation (and employees) requires unanimous Board approval**

Article 11 – Miscellaneous

- **Section 11.2 – Dispute Resolution**
 - **Requires meet and confer and then mediation**
- **Section 11.11 – Assignment – allowed with consent of all other Members**
 - **Assignment of rights to use Project is permissible if provided under Service Agreement, but any such assignment must be: (1) consistent with Project permits and approvals, and (2) within Project Service Area**

Next Steps

- **Approval and execution of the JPA Agreement by all Members**
- **Filing the JPA Agreement with the State**
- **Schedule first public JPA Board Meeting within 60 days of Effective Date of the JPA Agreement**

Other Issues and Questions?

Thank you!



Westlands Water District

MEMORANDUM

TO: SLDMWA BOARD OF DIRECTORS
FROM: TOM BOARDMAN, WATER RESOURCES ENGINEER
SUBJECT: AUGUST OPERATIONS UPDATE
DATE: JULY 30, 2021

Project Operations

- Jones pumping averaged at about 665 cfs during July which included an increase to 800 cfs by mid-month for the export of transfer water from the Yuba County Water Agency. Transfer wheeling was scheduled to begin on July 1 but was delayed because Project operators could not meet relaxed water quality standards until Delta salinity conditions improved. CVP pumping is expected to remain low during August and September under a possible plan by Reclamations to back up scheduled transfer water into Shasta to increase carryover storage.
- The SWP pumped about 24 TAF during July which included about 5 TAF pumped at Jones early in July when CVP and SWP exports were consolidated at Jones to avoid cycling a single unit at the pumping plant. DWR's latest operations forecast shows minimum pumping persisting into the fall months due to limited Oroville storage and expected delta requirements per D-1641.
- Although the State Water Resources Control Board (SWRCB) relaxed the Delta outflow requirement and some of the salinity standards through July, limited upstream releases and an unexpected high tide caused an exceedance of a salinity standard in the Sacramento and San Joaquin rivers during the first half of the month. Project operations are now back in compliance with D-1641 standards. No compliance issues are expected during the coming weeks.
- Reclamation's latest conservative operations forecast estimates that the account balance for the Coordinated Operations Agreement is about 55 TAF in favor of the CVP. The forecast projects that the SWP will owe the CVP about 200 TAF by the end of September with full payback not until March.
- Shasta storage is slightly less than 1.48 MAF, down 267 TAF from a month ago. Reservoir releases were recently decreased from 9,250 cfs to 9,000 cfs to conserve storage. The storage drawdown is trending about 20 TAF higher than Reclamation's conservative operations forecast which projects about 1.1 MAF by the end of September. Carry over storage may increase to 1.2 MAF if YCWA and PCWA transfers are backed up into the reservoir during August and September.
- Folsom storage is at 245 TAF and trending about 15 TAF less than Reclamation's conservative operations forecast. Releases were reduced from 1,850 cfs to 1,000 cfs early in July in an effort to reach a targeted carry over storage of 208 TAF.

- CVP demands were about 191 TAF during July; about 50% of the 15-year average.

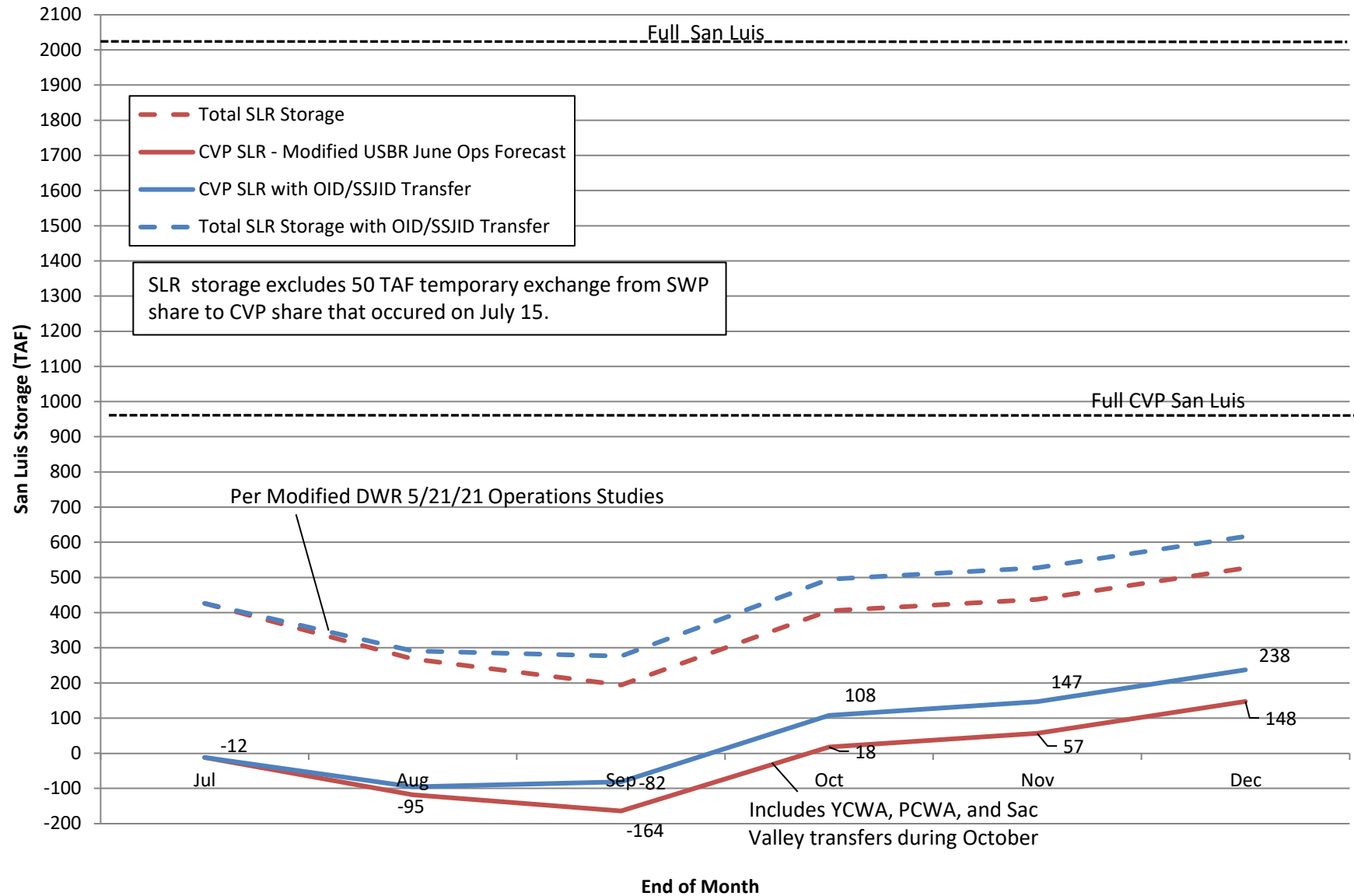
2021 San Luis Reservoir Operations

Reclamation's reported storage in the CVP share of San Luis storage (SLR) is 45 TAF. However, the reported storage amount includes a 50 TAF storage exchange from the State Water Project (SWP) share to the CVP share that occurred on July 15th which was intended to conserve upstream CVP storage. The storage exchange will be replaced in the SWP share of SLR when the CVP managed share of SLR is sufficiently above its share of deadpool, or roughly 38 TAF.

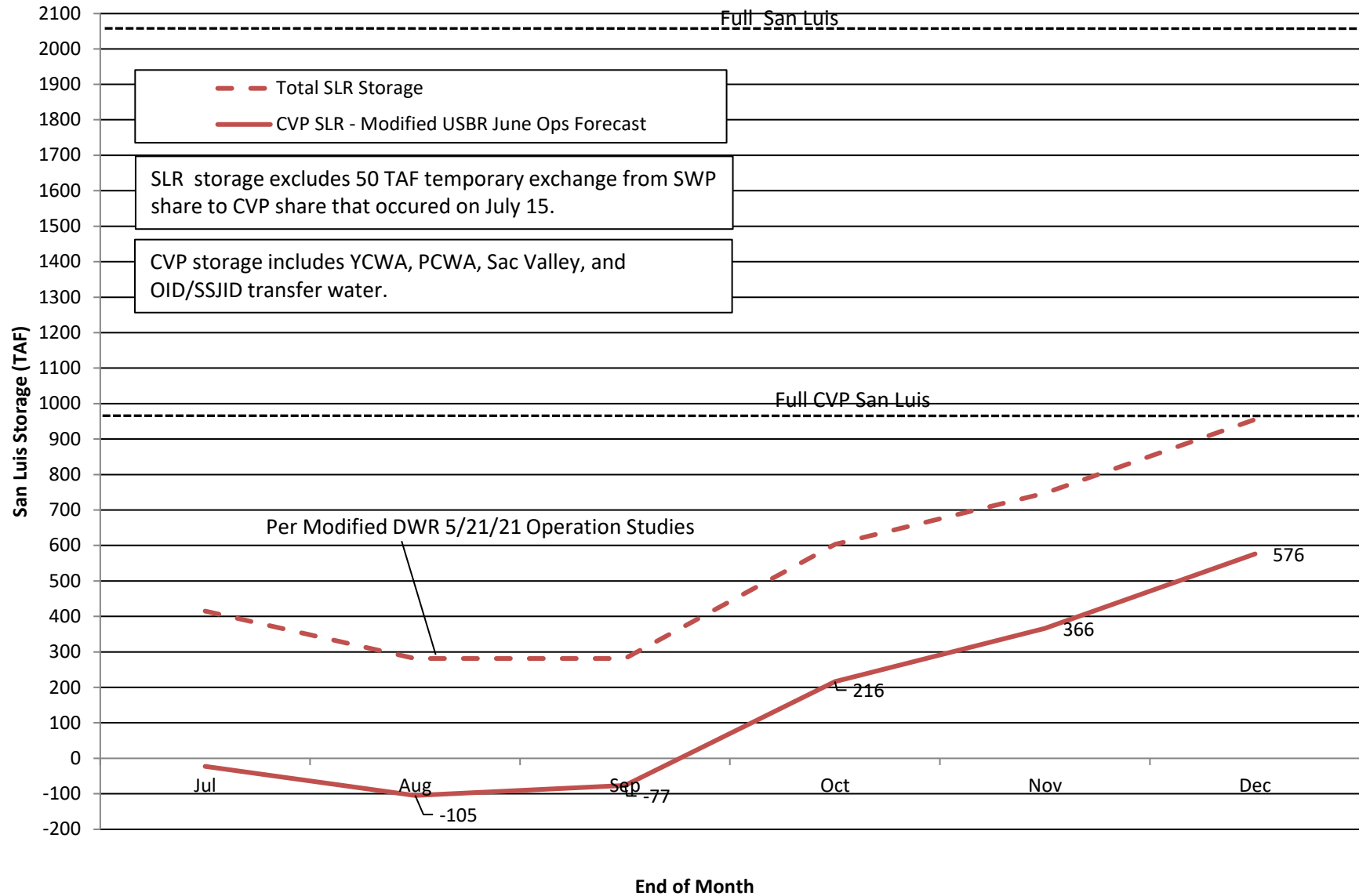
The attached SLR projection chart under 90% exceedance conditions shows that the CVP share of SLR may drop to about -164 TAF by the end August absent an OID/SSJID transfer that may be wheeled during August and September. The chart also reflects the delayed wheeling of YCWA, PCWA, and Sac Valley transfer water until October. As such, CVP storage may refill to above its share of deadpool storage during mid-October to mid-November, depending on if or when the OID/SSJID transfer pumping occurs.

Although the delayed wheeling of CVP transfer will lower CVP SLR storage in August and September, the projected SWP share of SLR will be such that total SLR storage will be at least 200 TAF at the end of September.

2020-21 San Luis Storage Projection 90% Exceedance Hydrology



2020-21 San Luis Storage Projection 50% Exceedance Hydrology





**San Luis & Delta-Mendota Water Authority
Monday, August 2, 2021, 10:00 a.m.**

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

**Telephonic Participation
(669) 900 6833
Meeting ID: 854 8032 9846
Passcode: 697946**

**SLDMWA Boardroom
842 6th Street, Los Banos, CA 93635**

NOTE: In accordance with the Governor's Executive Order N-09-21, members of the Water Resources Committee/Board and Water Authority staff will be participating in this meeting from multiple locations. This meeting will occur with an in-person option for members of the Water Resources Committee and Board interested in attending at the San Luis & Delta-Mendota Water Authority Los Banos Administrative Office, 842 6th Street, Los Banos, California. There will still be an option to attend by calling in for members of the Water Resources Committee, Board, and the public. If members of the public have any problems using the call-in number during the meeting, please contact the Authority office at 209-826-9696.

NOTE FURTHER: Any member of the public may address the Water Resources Committee/Board concerning any item on the agenda before or during consideration of that item.

Because the notice provides for a regular telephonic meeting of the Water Resources Committee ("WRC") and a joint regular telephonic WRC Meeting/Special Board workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only WRC Members/Alternates may correct or add to the agenda or vote on action items.

Agenda

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

ACTION ITEMS

4. **Water Resources Committee to Consider Approval of the July 12, 2021 Meeting Minutes**

REPORT ITEMS

5. Executive Director's Report, Barajas
 - A. Water Transfers
 - B. DMC Subsidence Mitigation Project
 - C. (May include reports on activities within the Water Resources Committee's jurisdiction related

to 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities; 6) COVID-19 response)

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) Reclamation action; 6) Delta Stewardship Council action; 7) San Joaquin Valley Water Blueprint)
7. Update on Water Operations and Forecasts, Boardman
8. Committee Member Reports
9. Closed Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 3 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. Haaland, et al., U.S. District Court, E.D. Cal., Case No. 1:05-cv-01207-DAD-EPG, 9th Cir. Case No. 21-15163 (2005 DMC Contract Renewals)
 - B. Pacific Coast Federation of Fishermen's Associations, et al. 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 (PCFFA v Glaser or GBP Citizens Suit)
 - C. Delta Stewardship Council Cases, Sacramento County Superior Court, Case No. JCCP 4758 (formerly 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)
 - D. City of Fresno, et al. v. United States, U.S. Court of Federal Claims, Case No. 1:16-cv-01276-EDK (2014 Friant Breach of Contract)
 - E. Monterey Coastkeeper, et al. v. Central Valley Regional Water Quality Control Board, et al., Third District Court of Appeal Case No. C093513, Sacramento County Superior Court Case No. 34-2018-80002853; Environmental Law Foundation v. State Water Resources Control Board, Third District Court of Appeal Case No. C093513, Sacramento County Superior Court Case No. 34-2018-80002851; Protectores del Agua Subterranea v. State Water Resources Control Board, Third District Court of Appeal Case No. C093513, Sacramento Superior Court Case No. 34-2018-80002852 (Waste Discharge Requirement Cases)
 - F. 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)
 - G. North Coast Rivers Alliance, et al. v. San Luis & Delta-Mendota Water Authority, et al., Merced County Superior Court, Case No. 19CV-04989 (GBP Long-Term Storm Water Management Plan)
 - H. Pacific Coast Federation of Fishermen's Associations, et al. v. Raimondo, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00431-DAD-EPG (ROC on LTO BiOps)
 - I. California Natural Resources Agency, et al. v. Raimondo, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00426-DAD-EPG (ROC on LTO BiOps)
 - J. CDWR Water Operation Cases, Sacramento County Superior Court, Case No. JCCP 5117 (formerly Tehama-Colusa Canal Authority et al. v. California Department of Water Resources et al., Fresno County Superior Court, Case No. 20CECG01303) (SWP EIR Challenge)
 - K. AquAlliance, et al. v. U.S. Bureau of Reclamation, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00878-DAD-EPG (Long-Term Water Transfers EIS/EIR)
 - L. Winnemem Wintu Tribe et al. v. State Water Resources Control Board et al., Merced County Superior Court, Case No. 19CV-04989 (GBP Waste Discharge Requirements)
 - M. SWRCB Administrative Hearing Office: County of San Joaquin Permit to Appropriate Water from the South Fork American River at the Freeport Regional Water Authority Facility on the Sacramento River, Pending Application A029657 (Permit Application Protest)
10. Return to Open Session

11. Report from Closed Session, if any, Required by Government Code Section 54957.1
12. Reports Pursuant to Government Code Section 54954.2(a)(3)
13. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office via telephone (209) 826-9696 or email [cheri.worthy@sldmwa.org or sandi.ginda@sldmwa.org] at least 3 days before a regular meeting or 1 day before a special meeting/workshop.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
TELEPHONIC FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING
AND
JOINT TELEPHONIC FINANCE & ADMINISTRATION COMMITTEE REGULAR
MEETING / SPECIAL BOARD WORKSHOP
MINUTES FOR JULY 12, 2021**

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:00 p.m. This meeting was held via teleconference/ZOOM in accordance with the Governor's Executive Order (N-29-20) and the declared State of Emergency as a result of the threat of COVID-19, with Chair Rick Gilmore presiding.

Members and Alternate Members in Attendance

Ex Officio

Cannon Michael
William Bourdeau

Division 1

Rick Gilmore, Member - Anthea Hansen, Alternate

Division 2

Bobbie Ormonde, Member

Division 3

Chris White, Member - Jarrett Martin, Alternate

Division 4

Sara Singleton, Member - Dana Jacobson, Alternate

Division 5

Bill Pucheu, Member

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Board of Directors Present

Division 1

Anthea Hansen, Director
Rick Gilmore, Director
Lea Emmons, Alternate

Division 2

William Bourdeau, Director

Division 3

Chris White, Director - Jarrett Martin, Alternate
Cannon Michael, Director

Division 4

Sara Singleton, Alternate

Division 5

Bill Pucheu, Director

Authority Representatives Present

Federico Barajas, Executive Director

Rebecca Akroyd, General Counsel

Pablo Arroyave, Chief Operating Officer

Scott Petersen, Water Policy Director

Frances Mizuno, Special Projects Administrator

Joyce Machado, Director of Finance

Lauren Neves, Accountant III

Stewart Davis, IT Officer

Gerald Robbins, Special Programs Manager

Jaime Bowker, Summer Clerk

Others in Attendance

Minnie Moreno, Del Puerto Water District

1. Call to Order/Roll Call

Chair and Member Rick Gilmore called the meeting to order at approximately 12:00 p.m.

2. Additions or Corrections to the Agenda

There were no additions or corrections.

3. Opportunity for Public Comment

There was no public comment.

4. Finance & Administration Committee to Consider Approval of the June 7, 2021 Meeting Minutes.

Chair Rick Gilmore pronounced the June 7, 2021 meeting minutes approved without any revisions.

5. Finance & Administration Committee to Consider Recommendation to Board of Directors to Approve Water Year 2021 Recalculated Rates.

Chief Operating Officer Pablo Arroyave presented the Water Year 2021 recalculated rates. Arroyave explained that version 1 did not include any additional water transfers and version 2 accounted for the potential water transfer deliveries from OID/SSJID. The Committee deliberated on the two options presented and the recommendation to Board was to adopt Version 1,

excluding the potential deliveries of OID/SSJID transfer water.

Member Bobbie Ormonde made the motion to approve Water Year 2021 recalculated rates. The motion was seconded by Ex Officio Member William Bourdeau and passed unanimously. The Committee action is reported as follows:

AYES:	Michael, Bourdeau, Gilmore, Ormonde, White, Singleton, Pucheu, Orvis
NOES:	None
ABSTENTIONS:	None

REPORT ITEMS

6. FY22 Activity Agreements Budget to Actual Report through 5/31/21.

Director of Finance Joyce Machado reported on the Budget to Actual Comparison Summary for May 31, 2021 for the member-funded activities. Machado stated that for the three-month period, the budget was trending positive with overall spending through May 31, 2021 at 13.22% of the approved budget.

7. FY22 O&M Budget to Actual Report through 5/31/21.

Director of Finance Joyce Machado reported to the Committee that for WY21 the self-funded routine O&M expenses through May 31, 2021 were under budget by \$513,308. What remains outstanding is the WY19 and WY20 final accountings and the Intertie O&M cost recovery.

8. Procurement Activity Report.

Director of Finance Joyce Machado presented the procurement activity for the period of June 3rd through July 6th. On June 25th the Authority executed a contract with National Electric Coil for the Jones Pumping Plant Unit 4 Rewind Project in the amount of \$4,431,356, with funding from the FY22 approved capital improvement projects budget. On June 29th a contract was executed with DHR Hydro Services, Inc. for Jones Pumping Plant Unit 4 Rewind Project Management. The contract amount was for \$532,790 and the funding source was also from the FY22 approved EO&M budget.

9. Executive Director's Report.

Executive Director Federico Barajas provided two updates to the Committee. First, Barajas provided an update related to the DMC subsidence correction project. Barajas stated that Chief Operating Officer Pablo Arroyave has continued to work on the Cooperative agreement as discussed in last month's meeting. Next, Barajas updated the Committee that starting in August the Authority will begin holding in-person FAC and Board meetings.

10. Committee Member Reports.

No reports given.

11. Reports Pursuant to Government Code Sec 54954.2

No reports given.

12. Agenda Item 13: Adjournment.

The meeting was adjourned at approximately 12:41 p.m.



MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: August 2, 2021

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) State Water Resources Control Board Action, including the Bay-Delta Water Quality Control Plan update, (3) San Joaquin River Restoration Program, (4) Delta Conveyance, (5) Delta Stewardship Council, and (6) Water Blueprint for the San Joaquin Valley.

POLICY ITEMS

[Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project](#)

In August 2016, the Bureau of Reclamation and California Department of Water Resources (DWR) requested reinitiation of consultation with NOAA Fisheries, also known as National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service (FWS) due to multiple years of drought, low populations of listed species, and new information developed as a result of ongoing collaborative science efforts over the last 10 years.

On Jan. 31, 2019, Reclamation transmitted its Biological Assessment to the Services. The purpose of this action is to continue the coordinated long-term operation of the CVP and SWP to optimize water supply delivery and power generation consistent with applicable laws, contractual obligations, and agreements; and to increase operational flexibility by focusing on nonoperational measures to avoid significant adverse effects to species.

The biological opinions carefully evaluated the impact of the proposed CVP and SWP water operations on imperiled species such as salmon, steelhead and Delta smelt. FWS and NMFS documented impacts and worked closely with Reclamation to modify its proposed operations to

minimize and offset those impacts, with the goals of providing water supply for project users and protecting the environment.

Both FWS and NMFS concluded that Reclamation's proposed operations will not jeopardize threatened or endangered species or adversely modify their critical habitat. These conclusions were reached for several reasons – most notably because of significant investments by many partners in science, habitat restoration, conservation facilities including hatcheries, as well as protective measures built into Reclamation's and DWR's proposed operations.

On Oct. 21, 2019, FWS and NMFS released their biological opinions on Reclamation's and DWR's new proposed coordinated operations of the CVP and SWP.

On Dec. 19, 2019, Reclamation released the final Environmental Impact Statement analyzing potential effects associated with long-term water operations for the CVP and SWP.

On Feb. 18, 2020, Reclamation approved a Record of Decision that completes its environmental review for the long-term water operations for the CVP and SWP, which incorporates new science to optimize water deliveries and power production while protecting endangered species and their critical habitats.

On January 20, 2021, President Biden signed an Executive Order: “Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis”, with a fact sheet¹ attached that included a non-exclusive list of agency actions that heads of the relevant agencies will review in accordance with the Executive Order. Importantly, the NOAA Fisheries and U.S. Fish and Wildlife Service Biological Opinions on the Long-Term Operation of the Central Valley Project and State Water Project were both included in the list of agency actions for review. It’s unclear what this agency review will analyze, but staff will be engaged.

Reclamation Manual

Documents out for Comment

Draft Directives and Standards

- [FIN 07-24 Assets Under Construction \(AUC\) Comments by 08/09/2021](#)

Draft Facilities Instructions, Standards, and Techniques (FIST)

- There are currently no Facilities Instructions, Standards, and Techniques out for review.

Draft Reclamation Safety and Health Standards (RSHS)

- There are currently no Safety and Health Standards out for review.

Draft Reclamation Design Standards

- There are currently no Design Standards out for review.

¹ <https://www.whitehouse.gov/briefing-room/statements-releases/2021/01/20/fact-sheet-list-of-agency-actions-for-review/>

State Water Resources Control Board (State Water Board) Activity

Documents out for Comment

Draft Racial Equity Resolution

The State Water Resources Control Board (State Water Board and, together with the Regional Water Quality Control Boards, Water Boards) will receive public comments on the draft proposed Resolution² Condemning Racism, Xenophobia, and Racial Injustice and Strengthening Commitment to Diversity, Equity, Access, Inclusion and Anti-Racism (Racial Equity Resolution). The draft proposed Racial Equity Resolution articulates the State Water Board's commitment to racial equity, expositing why this work is needed and offers a roadmap for how the State Water Board can (1) ensure its programs and policies preserve, protect, and restore California's water resources equitably for people of all races, and (2) create an equitable, diverse, and inclusive workplace where all employees feel they belong and their opportunities and professional outcomes are not predicted by their race.

The draft proposed Racial Equity Resolution is posted on the State Water Board's website at: https://www.waterboards.ca.gov/racial_equity/. You may request a paper copy of the draft proposed Racial Equity Resolution by emailing: racialequity@waterboards.ca.gov.

Submission of Comments

The State Water Board will accept written comments on the draft proposed Racial Equity Resolution. All written comments must be received no later than 12:00 noon on Monday, August 2, 2021.

Restoration Projects Statewide Order

Written comments will be accepted by the State Water Resources Control Board ("State Water Board") on the proposed Order for Clean Water Act Section 401 Water Quality Certification and Waste Discharge Requirements for Restoration Projects Statewide (proposed General Order) and supporting California Environmental Quality Act (CEQA) draft Program Environmental Impact Report (PEIR). The proposed General Order and draft PEIR would apply statewide and establish a permit authorization process for specific types of restoration activities. The draft PEIR identifies potential significant impacts to agriculture and forestry resources; air quality and greenhouse gas emissions; biological resources (terrestrial); biological resources (aquatic); cultural resources; geology and soils; hazards and hazardous materials; land use and planning; noise; transportation; tribal cultural resources; and utilities and service systems and public services.

Additionally, the State Water Board will hold a public workshop on the proposed General Order and supporting draft PEIR. A quorum of the Board will be present; however, the Board will not take any action at the public workshop. The public workshop will be:

² See Appendix A.

Tuesday, August 3, 2021, 9:00 a.m.

Video and Teleconference Only No Physical Meeting Location

(Authorized and in furtherance of Executive Orders N-08-21 and N-29-20) Video Broadcast:

<https://video.calepa.ca.gov/>

[Submission of Comments](#)

State Water Board will also accept written comments on the proposed General Order and draft PEIR. Written comments must be received no later than 12:00 noon on August 13, 2021.

[Draft Emergency Regulation: Sacramento-San Joaquin Delta Watershed](#)

The staff of the State Water Resources Control Board (State Water Board or Board) is proposing an emergency regulation³ that, if adopted and approved, may affect the ability of water right holders in the Sacramento-San Joaquin Delta (Delta) watershed to divert water. The notice includes information on how to participate in public discussion and provide comments regarding the proposed emergency regulation⁴. The notice also includes an update on water availability for pre-1914 appropriative and certain riparian water right claimants. The emergency regulation will be presented for review and possible adoption at the State Water Board's August 3, 2021 public meeting.

The proposed emergency regulation would require water right holders in the Delta watershed to curtail their diversions when the State Water Board determines, based on the best information available to the Board, that water is not available to serve certain priorities of water rights, based on the "Water Unavailability Methodology"⁵. The emergency regulation would also allow the Board to require water right holders to provide additional information related to their diversion and use of water.

[Background](#)

On May 10, 2021, Governor Newsom issued a Proclamation of a State of Emergency due to drought in 41 counties, including those in the Delta watershed. On July 8, 2021, the Governor issued an expanded Proclamation of a State of Emergency for 9 additional counties and called upon Californians to voluntarily reduce their water use by 15 percent compared to the same period in 2020.

To ensure protection of water needed for health, safety, and the environment, the May 10, 2021 Proclamation directs the State Water Board to consider adoption of an emergency regulation to curtail water diversions in the Delta watershed when water is not available at water right holders' priority of right and to protect releases of previously stored water.

³ See Appendix B.

⁴ See Appendix C.

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https://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/drought_tools_methods/delta_method.html

On June 15, 2021, the State Water Board sent Notices of Water Unavailability to all water right holders in the Delta watershed, alerting all post-1914 appropriative water right holders that the Board had determined, based on the best information available to the Board, that water was not available to serve their priorities. The June 15 notice also warned all pre-1914 appropriative and riparian water right claimants in the Delta watershed of impending water unavailability based on worsening drought conditions and the resulting likelihood of consideration of an emergency regulation to curtail water use throughout the Delta watershed.

On July 8, 2021, the San Luis & Delta-Mendota Water Authority, Friant Water Authority, Tehama Colusa Canal Authority, and the State Water Contractors sent a letter⁶ to State Water Board Chairman Joaquin Esquivel expressing a need for action to protect stored water and to reduce unauthorized diversions of water in the Delta, in order to protect authorized beneficial uses of water.

On July 29, 2021, the San Luis & Delta-Mendota Water Authority sent a letter⁷ to State Water Board Chairman Joaquin Esquivel expressing support for protecting stored water, the need to ensure due process in the protection of appropriately exercised water rights, and the need to consider a number of comments expressed by water users related to the Water Unavailability Methodology.

The draft emergency regulation is scheduled to be considered by the State Water Board at its August 3, 2021 meeting. If adopted by the State Water Board, the emergency regulation will be submitted to the Office of Administrative Law for a public comment period, review, and requested approval. If approved, the emergency regulation would become effective upon submittal to the Secretary of State as early as mid to late August 2021. The emergency regulation would remain in effect for up to one year but could be repealed if hydrologic conditions improve, or readopted if drought conditions continue through next year.

WATER UNAVAILABILITY FOR SENIOR WATER RIGHT CLAIMS

The June 15, 2021 Notices of Water Unavailability applicable to all post-1914 appropriative water rights in the Delta watershed remain effective. In addition, updated information available to the Board, evaluated by State Water Board staff using the Water Unavailability Methodology, indicates that water supply is currently insufficient to support lawful diversions under most senior claims of right (claims identified in Initial Statements of Water Diversion and Use). Specifically, as of the date of this notice, State Water Board staff has indicated that water is not available for:

- All post-1914 appropriative water rights in the Delta watershed (inclusive of the Sacramento River and San Joaquin River watersheds);

⁶ See Appendix D.

⁷ See Appendix E.

- All pre-1914 appropriative water right claims in the San Joaquin River watershed;
- All pre-1914 appropriative water right claims in the Sacramento River watershed with a priority date of 1883 or later; and
- Some pre-1914 appropriative water right claims in specific Sacramento River tributary sub-watersheds with a priority date earlier than 1883.

According to State Water Board staff, these claims face water unavailability either due to limited local supplies or the need to bypass natural flows so that more senior rights downstream can be met.

All of the pre-1914 appropriative water right claims for which State Water Board staff has indicated that water is unavailable are identified on a List of Noticed Pre-1914 Appropriative Water Right Claims, which can be found under the Notices of Water Unavailability section on the Delta Watershed Drought Information webpage at: <https://www.waterboards.ca.gov/drought/delta/>

Information evaluated using the Water Unavailability Methodology by State Water Board staff, indicates that, as of the date of this notice, water supply is insufficient to meet the demands of all riparian claims of right in the following watersheds and sub-watersheds:

- San Joaquin River watershed: In the months of July, August, and September 2021, demands under riparian water right claims will face a total deficit of approximately 197,000 acre-feet, 170,000 acre-feet, and 73,000 acre-feet, respectively. This amounts to a deficit of supply compared to riparian demand in the San Joaquin River watershed of approximately 82 percent in July, 91 percent in August, and 85 percent in September.
- Bear River sub-watershed: In the months of July and August 2021, demands under riparian water right claims will face a total deficit of approximately 79 acre-feet and 370 acre-feet, respectively. This amounts to a deficit of supply compared to riparian demand in the Bear River sub-watershed of approximately 9 percent in July and 42 percent in August.
- Upper American River sub-watershed: In the month of September 2021, demands under riparian water right claims will face a total deficit of approximately 687 acre-feet. This amounts to a deficit of supply compared to riparian demand in the Upper American River sub-watershed of approximately 100 percent in September.
- Putah Creek sub-watershed: In the month of July 2021, demands under riparian water right claims will face a total deficit of approximately 177 acre-feet. This amounts to a deficit of supply compared to riparian demand in the Putah Creek sub-watershed of approximately 7 percent in July.

In times of such supply shortage, State Water Board staff has indicated that riparian users are required to share the shortage on a correlative basis. Accordingly, riparian claims are not

individually listed. These numbers include projections through September 2021 and may be updated as new information becomes available.

The State Water Board is using its updated Water Unavailability Methodology for the Delta Watershed (Methodology) to identify which water rights in the Delta watershed face insufficient supplies to support diversion. For further information regarding the Methodology, please visit the Methodology webpage⁸.

FUTURE COMMUNICATIONS REGARDING WATER SUPPLY CONDITIONS

If the State Water Board adopts and the Office of Administrative Law approves an emergency curtailment and reporting regulation, the emergency regulation will update the method of communicating with water right holders, including for when curtailments are imposed and lifted based on evolving water supply and demand conditions. Under the proposed emergency regulation, such communication will be exclusively by electronic means.

For further information regarding drought in the Delta watershed, you are strongly encouraged to subscribe to the Delta Drought list on the State Water Board's Email Lists webpage⁹.

Please note that, if adopted and approved, the draft emergency regulation will require water users to subscribe to the Delta Drought list or to frequently visit the Board's Delta Watershed Drought Information webpage for updates.

Bay Delta Water Quality Control Plan Update

The State 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.¹⁰ The State Water

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https://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/drought_tools_methods/delta_method.html

⁹ https://www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html

¹⁰ Available at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf>.

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 State Water Board adopted a resolution¹¹ 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 State 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 State Water Board further refines this update, there will be opportunity for public comment.

The effort has made 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 documents¹² to the State 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.

Since the March 1 submittal, work has taken place to develop the package into a form that is able to be analyzed by State Water Board staff for legal and technical adequacy. On June 30, 2019, a status update with additional details was submitted to the Board for review. Additionally, on February 4, 2020, the State team released a framework for the Voluntary Agreements to reach “adequacy”, as defined by the State team.

¹¹Available at

https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2018/rs2018_0059.pdf.

¹² 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.

Delta Conveyance Project

The Department of Water Resources (DWR) is hosting four informational webinars between July and September 2021 to provide background information related to preparation of the Draft Environmental Impact Report (EIR) for the Delta Conveyance Project. The first webinar focused on State Water Project and Delta operations, and featured presentations on State Water Project operations and the models the Department will use to analyze the project.

Carrie Buckman, the Delta Conveyance Project Environmental Project Program Manager with the Department of Water Resources, reviewed the proposed project, the overall schedule, the planning processes, and future opportunities for public participation. Ms. Buckman noted that they are currently developing the draft EIR, so the impact analysis and mitigation have not yet been identified. So they will be focusing on the background of the topics and the methodology of how they will analyze things and will continue to share further details as they move towards a draft EIR.

The fundamental purpose of the Delta Conveyance Project is to modernize the aging State Water Project infrastructure in the Delta and restore and protect the reliability of SWP water deliveries in a cost-effective manner, consistent with the state's water resilience portfolio. As part of that, there are several specific objectives, including addressing sea level rise and climate change, minimizing water supply disruption due to seismic risk, protecting water supply reliability, and providing operational flexibility to improve aquatic conditions.

Ms. Buckman presented the project schedule. Currently, the Department is developing a draft EIR under the California Environmental Quality Act (CEQA). The Army Corps of Engineers, the federal lead agency, is preparing a draft environmental impact statement or EIS under the National Environmental Policy Act (or NEPA).



Although they are two separate documents, they are working on coordinating the public review for mid-2022. After the public review, they will finalize the documents and release decision documents later in 2023.

Ms. Buckman noted they are concurrently working on other environmental processes. They are starting the preliminary planning for developing a biological assessment and the incidental take

permit application, which are documents needed for compliance with the state and federal Endangered Species Acts; those are also expected in 2023. The Department will also be working toward obtaining a change in point of division for our water rights, certifying consistency with the Delta Plan, and securing other environmental permits in mid-2024.

Water Blueprint for the San Joaquin Valley Activity

Background

The Water Blueprint for the San Joaquin Valley¹³ (Blueprint) is a broad group of stakeholders, working to better understand shared goals for water solutions that support environmental stewardship with the needs of communities and industries throughout the San Joaquin Valley. The Blueprint has engaged with stakeholders to try and ensure that everyone has safe, reliable and affordable access to water for drinking, supporting their farms and communities and a thriving ecology.

The SJV faces significant impacts to its long-term economic, social, and environmental health if nothing is done to address water scarcity, as highlighted in Phase I of Dr. David Sunding's Economic Impact Assessment (EIA).

The Large Group and committees are pursuing the goals of Blueprint, including outreach, technical support and working in conjunction with other stakeholders.

2021 Strategy & Focus: The Blueprint is discussing the overall focus for 2021, its organizational structure, role with sub basins, project pursuits, fundraising and work with the San Joaquin Valley Water Collaborative Action Partnership (SJWV CAP).

Governance: The Blueprint is in the process of hiring a new project management team to replace Vista Consulting, with the goal of bringing on the new manager on in August. It is also updating its governance structure to better reflect its current participants, contributors, and its approach of a "coalition of the willing" while allowing for a streamlined review and action process. Exploring the expansion of the number of directors to the 501c4 to include adequate representation of the Central Valley.

Outreach & Engagement: SJV Blueprint is in the process of bringing on a dedicated team to engage with local community stakeholders in coordination with GSAs and other organizations to discuss the SJV Blueprint: new water sources, new conveyance, land repurposing, expanded beneficial use: groundwater recharge, wetland & riparian habitats.

- Near Term Investments for an Effective Drought Response – Letter to Gov. Newsom
- Land Repurposing – State Legislation

Technical Committee: A scope of work and cost estimate from ESA is being developed to ensure inclusion of east and west interests for a regulatory and permitting path forward for the

¹³ <https://www.waterblueprintca.com>

Blueprint. This would be a detailed plan listing of all permits needed, the approvals, the reports and documents essential to prepare and obtain from the Federal and/or State Agencies for the solutions provided. Blueprint will continue to engage with the Water Commission to inform them of its progress and has submitted a comment letter that highlighted State grants to construct infrastructure, balanced approach to water resources, low interest loans for farmers unable to farm and focus on inter-regional conveyance and habitat restoration.

The technical committee is working with sub basins (recently Madera and Tulare) and respective working groups on solution sets to be added to the EIA to illustrate reduced economic impacts. A critical part will be project proponents 'evaluation and development of these activities in coordination with the Blueprint. These solution sets will ideally have input and support from the coalition of interest groups formally engaging in the SJV Collaborative Action Program.

SJV Water Collaborative Action Program (SJVWCAP): Stanford University working in coordination with the Blueprint, Central Valley Community Foundation, Fresno State, NGOs and 60+ stakeholders are drafting a mutual convening to create a collaborative solution to the water issues we face in the SJV. The Planning group is establishing working groups to draft an inter-caucus Problem Statement and Solution Set. Blueprint committed \$50,000 to the SJVCAP.

DAC Drinking Water Feasibility Study – FKC: A funding application was submitted and includes participants FWA, FSU, Self Help, Sustainable Conservation and Leadership Council to study a five -county area within the Millerton Place of Use boundary related to surface water supply, recharge and drinking water supplies. DWR is continuing to work with the Blueprint group and has indicated funding for the study.

WaterSmart: The Water Blueprint was not selected by Reclamation for the 2021 WaterSmart Water Management Options Pilot (WMOP) Program. An application was submitted on February 17th and focused on increased conjunctive management and groundwater recharge. Blueprint obtained support letters from districts, water agencies, municipalities and elected. A debrief is being scheduled.

APPENDIX A

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2021-****CONDEMNING RACISM, XENOPHOBIA, AND RACIAL INJUSTICE AND
STRENGTHENING COMMITMENT TO RACIAL EQUITY, DIVERSITY, INCLUSION,
ACCESS, AND ANTI-RACISM****WHEREAS:**

1. As part of the California Environmental Protection Agency (CalEPA), the shared mission of the State Water Resources Control Board (State Water Board) and nine Regional Water Quality Control Boards (Regional Water Boards), collectively Water Boards, is to preserve, enhance, and restore the quality of California's water resources and drinking water for the protection of the environment, public health, and all beneficial uses, and to ensure proper water resource allocation and efficient use for the benefit of present and future generations. In relation to this mission, the Water Boards accept responsibility for confronting structural and institutional racism and advancing racial equity. According to the Government Alliance on Race and Equity (GARE), racial equity occurs when race can no longer be used to predict life outcomes, and outcomes for all groups are improved.
2. Historically, government agencies used race to establish structures and systems that continue to deliver disparate outcomes, including wealth, health, and environmental inequities. Because race intersects with many, if not all, other marginalized identities, prioritizing and addressing racial inequities improves outcomes for other marginalized communities.
3. CalEPA's 2021 Pollution and Prejudice Story map demonstrates that historically redlined neighborhoods are "generally associated with worse environmental conditions and greater population vulnerability to the effects of pollution today." In addition, Black, Indigenous, and people of color are overrepresented in the neighborhoods that are the most environmentally degraded and are still experiencing severe racial wealth gaps caused by redlining and other land-use practices.
4. The Office of Environmental Health Hazard Assessment's (OEHHA's) CalEnviroScreen mapping tool identifies communities that are disproportionately impacted by a combination of environmental stressors and socioeconomic disadvantages. The tool's 2021 update reveals that the top 10 percent of least-polluted neighborhoods are 72 percent white, while the top 10 percent of most-polluted neighborhoods are 89 percent Black, Indigenous, and people of color.
5. In contrast, State of California workforce census data from 2020 show that 43% of the state's population is white, yet about 56% of the Water Boards' workforce and 68% of the Water Boards' management is white. Only 42% of the Water Boards' workforce and 32% of its management are Black, Indigenous, and people of color compared to 63% of the state's population.

6. Contaminated water sources disproportionately burden low-income communities and Black, Indigenous, and people of color communities throughout California, further exacerbating persistent inequities, which can be seen in data collected by the Human Right to Water Framework and Data Tool 1.0 (released January 2021).
7. In September 2012, with the enactment of Water Code section 106.3, California became the first state in the nation to legislatively recognize the human right to water. It states, in part, "...every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes."
8. In February 2016, to advance the implementation of Water Code section 106.3, the State Water Board adopted [Resolution No. 2016-0010](#), "The Human Right to Water as a Core Value and Directing Its Implementation in Water Board Programs and Activities." Resolution No. 2016-0010 includes direction for the Water Boards' staff to work with stakeholders to improve the State Water Board's administration of its programs and projects to realize the human right to water.
9. From 2016 to 2019, the North Coast, Central Coast, Central Valley, and Santa Ana Regional Water Boards adopted similar resolutions, further elevating and emphasizing the importance of the human right to water in the Water Boards' work and the need to improve administration of the Water Boards' programs and projects to realize the human right to water.
10. In March 2017, the State Water Board adopted [Resolution No. 2017-0012](#), "Comprehensive Response to Climate Change," directing a proactive approach to climate change in all State Water Board actions, including drinking water regulation, water quality protection, diversification of regional water supplies, and financial assistance. The effects of climate change—including extreme changes in water cycle patterns, flooding, sea level rise, and heat—are expected to become more severe every year, leading to threatened access to safe and affordable water, increased demand for limited water and wastewater infrastructure funding, and increased risk of cumulative, negative health and economic outcomes for all communities. Climate change impacts disproportionately affect Black, Indigenous, people of color and unsheltered communities.
11. From 2017 to 2018, the San Diego, Los Angeles, and Lahontan Regional Water Boards adopted similar resolutions to direct staff to address the impacts of climate change. In addition to specific climate change resolutions, the San Francisco Bay, Los Angeles and Central Valley Regional Water Boards have developed and implemented climate change action plans.
12. In recent years, California has passed critical legislation and bonds, administered and implemented by the Water Boards, to fund projects that remediate the harm, or threat of harm, to human health, safety, and the environment caused by existing or threatened surface water and groundwater contamination. These include, among others, Senate Bill (SB) 445 (2014), establishing the Site Cleanup Subaccount Program; the Water Quality, Supply, and Infrastructure Improvement Act of 2014

(Proposition 1); the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 (Proposition 68); and SB 828 (2016), establishing the Drinking Water for Schools Grant Program. Many of these programs set aside or target specific funding for projects in disadvantaged and severely disadvantaged communities, thereby further advancing environmental and economic justice and the realization of safe, clean water for all.

13. In 2019, California enacted SB 200, establishing the \$130 million per year Safe and Affordable Drinking Water Fund. In conjunction with SB 200, the State Water Board created the Safe and Affordable Funding for Equity and Resilience (SAFER) Program to advance the human right to water. The SAFER Program encompasses regulatory, funding, and public engagement strategies to work toward long-term solutions for the estimated 1 million Californians without access to safe drinking water, thereby advancing environmental and economic justice.
14. In 2021, the State Water Board released the 2021 SAFER Drinking Water Needs Assessment, which (1) identifies California small water systems and domestic wells that are failing, or at risk of failing, to provide access to safe drinking water; (2) estimates the cost of interim and long-term solutions for these systems; and (3) determines the statewide funding gap and affordability challenges that may be barriers to implementing these solutions. There are approximately 345 systems that fail to meet the goals of the human right to water. In addition, the needs assessment identified 617 at-risk public water systems, 611 at-risk state small water systems, and 80,000 at-risk domestic wells. It also identified 13 federally regulated tribal water systems that failed to meet the goals of the human right to water and 22 at-risk tribal water systems.
15. Since 2018, the Water Boards have been participating in GARE, an international network of governmental organizations working to achieve racial equity and advance opportunities for all. The GARE network utilizes a racial equity model of change described as iterative stages of normalizing, organizing, and operationalizing.
16. Since 2019, the Water Boards' staff have been actively engaged in CalEPA's racial equity team, which is implementing the agency's "Plan to Achieve Racial Equity." Approximately 40 of the Water Boards' staff are participating across five sub-teams that are each focused on a specific outcome: (1) improve access to data and information on racial equity; (2) improve communication with communities and partners; (3) improve language access; (4) advance racial equity trainings for the CalEPA workforce; and (5) improve workforce hiring, retention, and promotion practices to advance racial equity within the environmental protection role that each board, department, and office shares with CalEPA.

17. In 2019, the Water Boards released the document, “Immediate Hiring Practices Action Plan for Advancing Workforce Diversity at the Water Boards” in alignment with CalEPA’s “Practices to Advance Racial Equity in Workforce Planning.” Both documents were developed to articulate the benefits of a diverse workforce and to identify practices to advance racial equity. The Water Boards’ plan directs hiring managers and supervisors to take specific short-term actions to improve workforce diversity while a more holistic plan is being developed.
18. In April and May 2020, CalEPA collaborated with GARE to survey staff of all CalEPA boards, departments, and offices, including the Water Boards, to establish baseline progress toward efforts to advance racial equity. Responses reveal that within the Water Boards’ workforce, the Water Boards are beginning to normalize conversations about racial equity by establishing the shared language, set of facts, and approaches required to advance racial equity. In addition, the summary report of the Water Boards’ staff responses indicates that more work is needed to further normalize racial equity, and it includes a specific recommendation for the Water Boards to center racial equity work on the perspectives and experiences of Black staff. Overall, the survey responses strongly support the need for additional training and tools for advancing racial equity and for stronger communication with staff.
19. During its August 18, 2020 meeting, the State Water Board directed staff to implement a racial equity initiative. Executive Director Sobeck established the Racial Equity Steering Committee and Working Group to advance the initiative. The Racial Equity Steering Committee’s charge is to ensure leadership remains committed to furthering racial equity and to direct the Working Group’s progress on implementing the following priorities: (1) establish a foundation of internal and external engagement that values listening and collaboration to drive action; (2) draft a resolution on racial equity to be considered for adoption by the State Water Board and also leveraged by the Regional Water Boards to adopt their own resolutions; and (3) develop racial equity strategies and action plans to drive the Water Boards’ efforts to institutionalize racial equity.
20. In November and December 2020, the Racial Equity Steering Committee and Working Group hosted four public listening sessions to solicit input on the challenges that Black, Indigenous, and people of color are facing and how the Water Boards can better facilitate equitable participation from these communities in their decision-making and policy development processes. Feedback from participants included several common themes, such as: a general distrust of government; feeling excluded from decision-making processes that ultimately affect them; not feeling heard when presenting issues to the Water Boards or that participation results in a change; a desire for more evidence that state government is committed to providing safe drinking water to disadvantaged communities; and concern that the Water Boards’ decision-makers and staff do not reflect the diversity of the communities they serve.
21. In March 2021, the Racial Equity Steering Committee and Working Group hosted listening sessions for the Water Boards’ staff to learn how the Water Boards can foster a workplace where all staff feel they belong and can contribute, and where

the impacts of institutional racism are being recognized, addressed, and dismantled. To encourage honest, open discussion, each session was facilitated by professional racial equity consultants. Several common themes emerged during the sessions, such as: a general lack of opportunities to increase diversity and promote inclusion within the workforce; a need for mandatory training for all the Water Boards' staff in the areas of racial equity, racism, implicit bias, and cultural competence; the importance of allocating resources to support racial equity efforts; and the need to bring a racial equity lens to the Water Boards' decision-making processes, including more meaningful opportunities for community involvement.

22. Although the Water Boards' racial equity and environmental justice work began prior to 2020, the national and worldwide backlash against racism toward Black people and related Black Lives Matter protests of 2020 accelerated and informed the Water Board's decision to develop an initiative, resolution, and subsequent action plan to address racial inequities within the Water Boards and through the Water Boards' work.
23. Historically, the Water Boards' programs were established over a structural framework that perpetuated inequities based on race. These inequities persist, and prior to this resolution, the Water Boards had not explicitly acknowledged the role racism has played in creating inequities in affordability and access to clean and safe water and in the allocation and protection of water resources. Toward reconciliation, the State Water Board now acknowledges:
 - a. White supremacy is a systemically and institutionally perpetuated system of exploitation and oppression of nations and peoples of color by white people for the purpose of maintaining and defending a system of wealth, power, and privilege. In the United States, white supremacy led to the genocide and forced relocation of Indigenous people to facilitate white resettlement and the enslavement of Black people for white economic gain. White supremacy has been served by many other government policies targeting people of color, including for example, race-focused immigration restrictions, the internment of Japanese Americans, exclusionary housing policies, and lack of investment in communities of color.
 - b. White supremacist ideologies have driven many governmental policies for centuries and have created persistent racial inequities and deeply entrenched systems of oppression. The impacts of federal, state, and local decision-making and policies made decades ago continue to impose challenges for Black, Indigenous, and people of color, who still grapple with the lasting effects of historical racial inequities stemming from those governmental decisions and policies.
 - c. The colonization, displacement, and murder of Indigenous people in the United States have contributed to the loss of watershed management practices that supported Indigenous people's traditional ways of life.

Watersheds are now largely managed in the context of the large-scale diversion of water for municipal, industrial, agricultural, and commercial beneficial uses to the detriment of traditional, local uses and the Indigenous people that depend on them.

- d. The historical seizures of land from Black, Indigenous, and people of color have had, and continue to have, long-standing impacts that extend beyond the loss of the land itself. These impacts include the loss of the associated water rights and other natural resources of value, lack of access to affordable and reliable governmental services, and forced relocation to areas with fewer or lower quality resources.
 - e. California government has played a role in historically and institutionally perpetuating racial inequities that Black, Indigenous and people of color continue to face. In California, race is a predictor of access to, and the quality of, the governmental services a person receives, including access to safe, clean water for drinking, and affordable services to support sanitation, and wastewater collection, treatment, and reuse. In fact, race is the strongest predictor of water and sanitation access.
 - f. To better represent and serve California's communities, the Water Boards must address the connection between water management and systemic and institutional racism.
24. On a community scale, race is strongly correlated with more severe pollution burdens. However, none of the Water Boards' policies, programs, or plans specifically consider or address racial inequities. As a government agency with a role in ensuring access to clean, safe, and affordable water for all Californians, the State Water Board recognizes the need to acknowledge racial inequity and to take action to address racial inequity within the agency and as part of the programs the Water Boards' carry out for the communities we serve.

THEREFORE, BE IT RESOLVED THAT:

The State Water Resources Control Board:

1. Condemns acts of racism, xenophobia, white supremacy, and institutional and systemic racism; adopts racial equity, diversity, and inclusion as core values; and acknowledges the role of government agencies — including the Water Boards — in redressing racial inequities and dismantling institutional and systemic racism.
2. Commits to making racial equity, diversity, inclusion, and environmental justice central to our work as we implement our mission so that the access the State Water Board creates, and outcomes it influences, are not determined by a person's race and the benefits are shared equitably by all people.

3. Commits to centering its work and decision-making on Black, Indigenous, and people of color who are disproportionately represented in the most vulnerable communities and in unsheltered populations, while ensuring the full benefits of the Water Boards' programs for all people.
4. Reaffirms our commitment to upholding California's human right to water law, upholding the State Water Board's human right to water resolution, and demonstrating that every human being in California, including Black, Indigenous, and people of color, deserves safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitation purposes.
5. Reaffirms our commitment to ensuring cleanup of contaminated soil, soil vapor and groundwater; control of wastes discharged to land and surface water; and restoration of impaired surface waters to protect public health and environmental quality in all communities, particularly communities of color disproportionately burdened by environmental pollution.
6. Commits to expanding implementation of the State Water Board's Climate Change Resolution to address the effects of sea-level rise and extreme hydrologic conditions, from drought to flooding, on Black, Indigenous, and people of color communities.
7. Directs staff to create a proposal by January 2022 to establish an Office of Equity, Diversity, and Inclusion to achieve a workplace, workforce, and work outcomes that reflect racial equity.
8. Directs staff to normalize conversations about racial equity and foster a workforce that competently integrates racial equity into our work by (1) developing and implementing training curricula for racial equity, diversity, inclusion, and environmental justice; (2) incorporating racial equity concepts into existing mandatory Water Boards training courses; (3) educating staff about Equal Employment Opportunity (EEO) laws and the Water Boards' EEO Office's process for preventing and responding to complaints of discrimination, harassment, bullying, or retaliation; (4) developing policies that will lead to a racially equitable and diverse workforce by ensuring the Water Boards' Immediate Hiring Practices Action Plan addresses recruitment, hiring, retention, promotion, succession planning, mentorship, STEM outreach to schools, and leadership development; and (5) partnering with other organizations to expand opportunities for community capacity building.
9. Directs staff to develop strategies for effectively reaching and engaging with Black, Indigenous, and people of color communities; involving Tribes, stakeholders, and other interested parties in our decision-making processes; providing accessible, open and transparent opportunities for people to participate in our public meetings, hearings, and workshops; improving our communications by addressing barriers to public participation, including language, digital, and time-of-day access; and meeting people in their communities and spaces to seek out their perspectives.

10. Directs staff to develop and implement a Racial Equity Action Plan that articulates a vision for racial equity and outlines specific actions the State Water Board will take to dismantle systems that perpetuate racial inequities while establishing new, resilient systems.
 - a. The plan shall include goals, objectives, actions, timelines, and metrics; incorporate all State Water Board divisions, offices, and programs; and address all aspects of our work, including, those detailed above in this resolution, as well as water quality control plans, policies, permits, enforcement, compliance assurance, contracting, funding, procurement, site remediation, monitoring, and water rights administration.
 - b. Staff shall advance a framework of transparency, accountability, and continuous improvement for our racial equity work by establishing metrics and using quantitative and qualitative data collection methods to measure and evaluate the Water Boards' progress toward implementing those metrics; equitizing our systems, practices, and policies; and diversifying the Water Boards' workforce.
 - c. Staff shall include a framework for analyzing how decisions and staff recommendations to the board may impact Black, Indigenous, and people of color communities.
 - d. Staff shall present the action plan to the Board no later than one year after adopting this resolution and report on implementation progress annually thereafter.
 - e. Staff shall provide updates on implementing the plan at least quarterly as part of the Executive Director's Report.
11. Encourages the nine Regional Water Boards to adopt this resolution, or a similar resolution that condemns racism, xenophobia, and racial injustice; affirms a commitment to equity, diversity, inclusion and anti-racism; and otherwise prioritizes this important work.

CERTIFICATION

The undersigned Clerk to the State Water Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on [Instruction: Insert date].

Jeanine Townsend
Clerk to the Board

APPENDIX B

Enhanced Water Use Reporting and Curtailment of Diversions due to Lack of Water Availability in the Sacramento – San Joaquin Delta Watershed

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In Title 23, Division 3, Chapter 2, Article 24, amend the title of Article 24, add Sections 876, 876.1, and 878.2, and amend Sections 877.1, 878, 878.1, 879, 879.1 and 879.2 to read:

Article 24. Curtailment of Diversions due to Protect Water Supplies and Threatened and Endangered Fish in the Russian River Watershed Drought Emergency

§ 876 [Reserved]

§ 876.1 Emergency Curtailments Due to Lack of Water Availability in the Sacramento/San Joaquin Delta Watershed

- (a) This section applies to water diversions in the Delta Watershed as defined in section 877.1.
- (b) After the effective date of this regulation, when flows are determined to be insufficient to support all diversions, the Deputy Director as defined in section 877.1 may issue curtailment orders as defined in section 877.1 to water right holders and claimants in the Delta Watershed in order of water right priority, requiring the curtailment of water diversion under designated water rights and claims, except as provided in sections 878, 878.1, and 878.2.
- (c) Initial orders requiring curtailment or reporting as defined in section 877.1 will be mailed to each water right holder, claimant, or the agent of record on file with the State Water Board, Division of Water Rights. The water right holder, claimant, or agent of record is responsible for immediately providing notice of the orders to all diverters exercising the water right or claim covered by the orders. Communications regarding changes in water availability, including notification of when curtailments of water diversions are required and when curtailments are temporarily suspended or reimposed, will be provided by email to the State Water Board's Delta Drought email distribution list and by posting on the State Water Board's drought webpage. Notice provided by email and by posting on the State Water Board's drought webpage shall be sufficient for all purposes related to required curtailments and reporting pursuant to this section and section 879.

(d) In determining whether water is unavailable under a water right holder or claimant's priority of right and whether to order curtailment of water diversions under specific water rights, the Deputy Director will consider:

- (1) Relevant available information regarding date of priority, including but not limited to claims of first use in statements of water diversion and use, judicial and State Water Board decisions and orders, and other information contained in the Division of Water Rights' files. Absent evidence to the contrary, riparian water rights are presumed senior to appropriative water rights for the purposes of curtailments pursuant to this section.
- (2) Monthly water right demand projections based on reports of water use for permits and licenses, or statements of water diversion and use, from calendar years 2018, 2019, or 2020.
- (3) Monthly water right demand projections based on information submitted in response to an informational order issued under section 879, subdivision (d).
- (4) Water supply projections based on the following sources of forecasted supply data:
 - (A) Monthly full natural flow forecasts contained in the Department of Water Resources' California Cooperative Snow Surveys Bulletin 120 Water Supply Forecast, where available;
 - (B) Daily full natural flow forecasts from the California Nevada River Forecast Center, where data is not available in the Bulletin 120 Water Supply Forecasts; and
 - (C) Other available and reliable data on projected or actual precipitation and runoff events that may inform water availability at a monthly or sub-monthly scale.
- (5) The Deputy Director may also consider any other pertinent, reliable, and publicly available information when determining water right priorities, water availability, water supply projections, and demand projections.

- (6) Evaluation of available water supplies against demands may be performed using the Water Unavailability Methodology for the Delta Watershed, or comparable tools. The Water Unavailability Methodology for the Delta Watershed is described in the Water Unavailability Methodology for the Delta Watershed report dated July 23, 2021, which is hereby incorporated by reference. Evaluation of available supplies against demands may be performed at the Hydrologic Unit Code level 4 Sacramento and Hydrologic Unit Code level 4 San Joaquin River watershed scale, or at the subwatershed scale. Subwatersheds within the Delta Watershed are defined in the July 23, 2021 Water Unavailability Methodology for the Delta Watershed summary report and were established based on Hydrologic Unit Code level 8 watersheds.
- (e) Upon receipt of an initial order pursuant to this section, a water right holder or claimant may submit information to the Deputy Director to support a proposed correction to the water right priority date of the right for which the order was issued. Any proposed priority date correction and all supporting information and analysis shall be submitted to the Deputy Director within 14 days of receipt of the initial order. Proposals for priority date corrections, supporting information, and analyses submitted more than 14 days after receipt of an initial order may be considered to support corrections in advance of future curtailments. The Deputy Director will review timely-provided proposals and supporting information and analyses as soon as practicable, make a determination regarding the appropriate water right priority date, and inform the affected water right holder or claimant of any appropriate update to the priority date used for purposes of water diversion curtailment orders. Before making any determinations regarding proposed corrections to the priority date of water right holders or claimants who divert within the Legal Delta, the Deputy Director will consult with the Delta Watermaster.
- (f) Water right holders and claimants in the Delta Watershed must either subscribe to the Delta Drought email distribution list referenced in subdivision (c) or frequently check the State Water Board's drought webpage to receive updated information regarding water diversion curtailment and reporting orders and water unavailability.
- (g) The Deputy Director may temporarily suspend curtailments for some diverters, in order of water right priority, when water availability increases or is projected to increase due to precipitation and runoff events. The Deputy Director will consider the best available information, such as water supply forecasts from the California Department of Water Resources and other similarly reliable sources, to

determine the geographic scope and duration of suspension. The Deputy Director will promptly consider reliable and publicly available information that supports suspension, extension of suspension, or reimposition of curtailments of water diversions.

(h) All curtailment orders issued under this section shall be subject to reconsideration under article 2 (commencing with section 1122) of chapter 4 of part 1 of division 2 of the California Water Code.

Authority: Sections 1058, 1058.5, Water Code

Reference: Cal. Const., Art. X, § 2; Sections 100, 100.5, 104, 105, 275, 1058.5, Water Code; *Stanford Vina Ranch Irrigation Co. v. State of California* (2020) 50 Cal.App.5th 976.

§ 877.1 Definitions

- (a) “Curtailment Order” refers to an order from the Deputy Director of the Division of Water Rights ordering a water right holder to cease diversions.
- (b) “Deputy Director” refers to the Deputy Director of the Division of Water Rights, or duly authorized designee, at the State Water Resources Control Board.
- (c) “Flood Control District” refers to the Mendocino County Russian River Flood Control and Water Conservation Improvement District.
- (d) “Lower Russian River” refers to the surface waters, including underflow and subterranean streams, of the Russian River downstream of the confluence of Dry Creek and the Russian River.
- (e) “Lower Russian River Watershed” refers to the area in Sonoma County that drains towards Dry Creek and the area downstream of the confluence of the Russian River and Dry Creek that drains towards the outlet of the Russian River to the Pacific Ocean.
- (f) “Mainstem of the Upper Russian River” refers to the surface waters, including underflow and subterranean streams, of the Upper Russian River downstream of Lake Mendocino and upstream of the confluence of Dry Creek and the Russian River.

(g) “Minimum human health and safety needs” refers to the amount of water necessary for prevention of adverse impacts to human health and safety, for which there is no feasible alternate supply. “Minimum human health and safety needs” include:

- (1) Indoor domestic water uses including water for human consumption, cooking, or sanitation purposes. For the purposes of this article, water provided outdoors for human consumption, cooking, or sanitation purposes, including but not limited to facilities for unhoused persons or campgrounds, shall be regarded as indoor domestic water use. As necessary to provide for indoor domestic water use, water diverted for minimum human health and safety needs may include water hauling and bulk water deliveries, so long as the diverter maintains records of such deliveries and complies with the reporting requirements of Section 879, and so long as such provision is consistent with a valid water right.
- (2) Water supplies necessary for energy sources that are critical to basic grid reliability, as identified by the California Independent System Operator, California Public Utilities Commission, California Energy Commission, or a similar energy grid reliability authority.
- (3) Water supplies necessary to prevent tree die-off that would contribute to fire risk to residences, and for maintenance of ponds or other water sources for fire fighting, in addition to water supplies identified by the California Department of Forestry and Fire Protection or another appropriate authority as regionally necessary for fire preparedness.
- (4) Water supplies identified by the California Air Resources Board, a local air quality management district, or other appropriate public agency with air quality expertise, as necessary to address critical air quality impacts to protect public health.
- (5) Water supplies necessary to address immediate public health or safety threats, as determined by a public agency with health or safety expertise.
- (6) Other water uses necessary for human health and safety which a state, local, tribal or federal health, environmental, or safety agency has determined are critical to public health and safety or to the basic infrastructure of the state. Diversifiers wishing to continue diversions for these uses must identify the health and safety need, include approval or similar relevant documentation from the appropriate public agency,

describe why the amount requested is critical for the need and cannot be met through alternate supplies, state how long the diversion is expected to continue, certify that the supply will be used only for the stated need, and describe steps taken and planned to obtain alternative supplies.

- (h) "State Water Board" refers to the State Water Resources Control Board.
- (i) "Upper Russian River" refers to the surface waters, including underflow and subterranean streams, of the Russian River upstream of the confluence of the Russian River and Dry Creek and includes both the East and West Forks of the Russian River.
- (j) "Upper Russian River Watershed" refers to the area located in Mendocino and Sonoma Counties that drains towards the confluence of Dry Creek and the Russian River.
- (k) "Delta Watershed" or "Sacramento/San Joaquin Delta Watershed" refers to the Hydrologic Unit Code level 4 Sacramento and the Hydrologic Unit Code level 4 San Joaquin subregions, as defined using the U.S. Geological Survey Watershed Boundary Dataset which is incorporated by reference herein.
- (l) "Informational Order" refers to an order issued by the Deputy Director which orders reporting of water diversion and use information in the Delta Watershed to inform water unavailability determinations and to support the curtailment process described in section 876.1.

Authority: Sections 1058, 1058.5, Water Code

Reference: Cal. Const., Art., X § 2; Sections 100, 100.5, 104, 105, 106.3, 275, 1058.5, Water Code; *Environmental Defense Fund v. East Bay Muni. Util. Dist.* (1980) 26 Cal.3d 183.

§ 878. Non-Consumptive Uses

Diversion and use described in this section under any valid basis of right may continue after issuance of a curtailment order without further approval from the Deputy Director, subject to the conditions set forth in this section. Diversions described in this section may not be required to curtail in response to a curtailment order under this article if their diversion and use of water does not decrease downstream flows. Any diverter wishing to continue diversion under this section ~~subdivision~~ must submit to the Deputy Director a certification, under

penalty of perjury, which describes the non-consumptive use of water and explains, with supporting evidence, how the diversion and use do not decrease downstream flows in the applicable watershed. The Deputy Director may request additional information or disapprove any certification if the information provided is insufficient to support the statement or if more convincing evidence contradicts the claims. If a certification submitted pursuant to this section is disapproved, the diversions are subject to any curtailment order issued for that basis of right. This section applies to:

- (a) Direct diversions solely for hydropower if discharges are returned to the source stream ~~Russian River~~ or its tributaries and water is not held in storage.
- (b) Direct diversions dedicated to instream uses for the benefit of fish and wildlife pursuant to Water Code section 1707, including those that divert water to a different location for subsequent release, provided the location of release is hydraulically connected to the source stream ~~Russian River~~.
- (c) For curtailment orders issued under sections 877.2 and 877.3, d Direct diversions where the Deputy Director, the California Department of Fish and Wildlife, and the Executive Officer of the North Coast Regional Board have approved a substitution of releases of either stored water or groundwater into the Russian River or a tributary thereof for the benefit of fish and wildlife such that there is not a net decrease in stream flow as a result of the diversion at the next downstream USGS gage. The rate of releases made pursuant to this subdivision must be measured daily using a device or measurement method approved by the Deputy Director and provided to the Deputy Director on a monthly basis. Proposals involving the release of groundwater shall provide sufficient data and information to reasonably quantify any depletions of surface water caused by the groundwater pumping, the potential time lags of those depletions, and if additional groundwater releases beyond the diversion amounts are able to offset those depletions. The release of water does not have to be conducted by the owner of the water right proposed for the continued diversions, provided an agreement between the water right holder and the entity releasing the water is included in the proposal.
- (d) Other direct diversions solely for non-consumptive uses, if those diverters file with the Deputy Director a certification under penalty of perjury demonstrating that the diversion and use are non-consumptive and do not decrease downstream flows in the watershed.

- (e) Direct diversions located within the Legal Delta used exclusively to irrigate lands entirely below sea level when comparison of diversion and drainage records provide substantial evidence that continued irrigation of those lands does not increase net channel depletions.

Authority: Sections 1058, 1058.5, Water Code

Reference: Cal. Const., Art. X, § 2; Sections 100, 187, 275, 348, Water Code

§ 878.1 Minimum Human Health and Safety Needs

- (a) Diversions described in this section under any valid basis of right may be authorized to continue after issuance of a curtailment order, subject to the conditions set forth in this section. A diversion that would otherwise be subject to curtailment may be authorized if:
- (1) The diversion is necessary for minimum human health and safety needs; and therefore,
 - (2) The diversion is necessary to further the constitutional policy that the water resources of the state be put to beneficial use to the full extent they are capable, and that waste and unreasonable use be prevented, notwithstanding the effect of the diversions on more senior water rights or instream beneficial uses.
- (b) (1) Diversions for minimum human health and safety needs under any valid basis of right of not greater than 55 gallons per person per day may continue after issuance of a curtailment order without further approval from the Deputy Director, subject to the conditions set forth in this section. Any diverter wishing to continue diversion under this subdivision must submit to the Deputy Director certification, under penalty of perjury, of compliance with the requirements of subdivisions (b)(1)(A)-(E), below. The Deputy Director may request additional information or set additional requirements on continued diversion.
- (A) Not more than 55 gallons per person per day will be diverted under all bases of right.
 - (B) The diversion is necessary to serve minimum human health and safety needs as defined in section 877.1, subdivision (g), after all other alternate sources of water have been used. To the extent other water sources are available, those sources will be used first and the total used will not exceed 55 gallons per person per day.

- (C) The diverter and all end users of the diverted water are operating under the strictest existing conservation regime for that place of use, if such a plan exists for the area or service provider, or shall be operating under such regime within 30 days. If additional approvals are required before implementation of the conservation regime, the diverter must certify that all possible steps will be taken immediately to ensure prompt approval.
 - (D) If the diverter is distributor of a public water supply under Water Code sections 350 et seq., that it has declared a water shortage emergency condition and either already has adopted regulations and restrictions on the delivery of water or will adopt conservation and water delivery restrictions and regulations within a timeframe specified by the Deputy Director as a condition of certification.
 - (E) The diverter has either pursued steps to acquire other sources of water, but has not yet been completely successful, as described in an attached report, or the diverter will pursue the steps in an attached plan to identify and secure additional water.
- (2) To the extent that a diversion for minimum human health and safety needs requires more than 55 gallons per person per day, the continued diversion of water after issuance of a curtailment order for the diversion requires submission of a petition demonstrating compliance with the requirements of subdivisions (b)(2)(A)-(F), below, and approval by the Deputy Director. The Deputy Director may condition approval of the petition on implementation of additional conservation measures and reporting requirements. Any petition to continue diversion to meet minimum human health and safety needs of more than 55 gallons per person per day must:
- (A) Describe the specific circumstances that make the requested diversion amount necessary to meet minimum human health and safety needs, if a larger amount is sought.
 - (B) Estimate the amount of water needed.
 - (C) Certify that the supply will be used only for the stated need.
 - (D) Describe any other additional steps the diverter will take to reduce diversions and consumption.

- (E) Provide the timeframe in which the diverter expects to reduce usage to no more than 55 gallons per person per day, or why minimum human health and safety needs will continue to require more water.
 - (F) As necessary, provide documentation that the use meets the definition of minimum human health and safety needs provided in subdivision (g) of section 877.1.
- (c) For public water systems with 15 or greater connections and small water systems of 5 to 15 connections, gallons per person per day shall be calculated on a monthly basis and the calculation methodology shall be consistent with the State Water Board's "Guidance for Estimating Percentage Residential Use and Residential Gallons Per Capita Daily" dated September 22, 2020.
- (d) Diversions for minimum human health and safety needs that cannot be quantified on the basis of an amount per person per day require a petition and approval from the Deputy Director. The Deputy Director may approve a such a petition under this subdivision or subdivision (b)(2) upon a finding that the petition demonstrates that the requested diversion is in furtherance of the constitutional policy that the water resources of the state be put to beneficial use to the full extent they are capable, and that waste and unreasonable use be prevented, notwithstanding the effect of the diversion on senior water rights or instream beneficial uses, and may condition approval as appropriate to ensure that the diversion and use are reasonable and in the public interest.
- (e) To the extent necessary to resolve immediate public health or safety threats, a diversion subject to a curtailment order may continue while a petition under subdivision (b)(2) or (d) is being prepared and is pending. The Deputy Director may require additional information to support the initial petition, information on how long the diversion is expected to continue, and a description of other steps taken or planned to obtain alternative supplies.
- (f) Notice of certification, petitions, and decisions under this section and section 878 will be posted as soon as practicable on the State Water Board's drought webpage. The Deputy Director may issue a decision under this article prior to providing notice.

- (g) Diversion and use within the Russian River Watershed or Delta Watershed that deprives water for minimum human health and safety needs in 2021, or which creates unacceptable risk of depriving water for minimum human health and safety needs in 2022, is an unreasonable use of water. The Deputy Director shall prevent such unreasonable use of water by implementing the curtailment methodology described in section 877.2 for diversions in the Lower Russian River Watershed ~~and~~, sections 877.3, 877.4, 877.5, and 877.6 for diversions in the Upper Russian River Watershed, and section 876.1 for diversions in the Delta Watershed.

Authority: Sections 1058, 1058.5, Water Code

Reference: Cal. Const., Art. X, § 2; Sections 100, 100.5, 104, 105, 106.3, 275, 1058.5, Water Code; *Environmental Defense Fund v. East Bay Muni. Util. Dist.* (1980) 26 Cal.3d 183; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463; *Stanford Vina Ranch Irrigation Co. v. State of California* (2020) 50 Cal.App.5th 976.

§ 878.2 Alternative Water Sharing Agreements

Water users may propose alternatives to water diversion curtailment that achieve the purposes of the curtailment process described under section 876.1 by submitting a proposal to the Deputy Director. Proposals must describe the setting, the parties, the actions, and the purported benefits of the proposal in sufficient detail to demonstrate to the satisfaction of the Deputy Director that implementing the proposal will not injure non-party legal users of water or result in an unreasonable impact on fish and wildlife. In considering a proposal under this section, the Deputy Director may consult with other entities that may have technical or legal information that should be considered in evaluating such proposals, including but not limited to the California Department of Water Resources and United States Bureau of Reclamation. The Deputy Director will consult with the Delta Watermaster on any proposals among diverters within the Legal Delta. The Deputy Director may approve a proposal subject to conditions, including record keeping and reporting requirements. Diversions consistent with a proposal approved pursuant to this section are subject to this article, and violations of the terms of the approved proposal shall be subject to enforcement as a violation of this article or as an unauthorized diversion or use of water.

Notice of proposals and decisions under this section will be posted as soon as practicable on the State Water Board's Delta drought webpage. The Deputy Director may issue a decision under this section prior to providing notice. Any interested person may file a comment or objection to the proposal or decision with the Deputy Director with simultaneous service to the parties who submitted the proposal. The Deputy Director will

consider any comment or objection. The State Water Board may hold a hearing on any proposal to which parties have objected, after notice to all interested persons.

Authority: Sections 1058, 1058.5, Water Code

Reference: Sections 109, 1011, 1011.5, 1051.5, Water Code; *City of Barstow v. Mojave Water Agency* (2000) 23 Cal.4th 1224.

§ 879. Reporting

- (a) All water right holders issued a curtailment order under ~~this article~~ section 877.2 or 877.3 are required, within seven calendar days of the date of the curtailment order, to submit under penalty of perjury a certification of one or more of the following actions taken in response to the curtailment order, certifying, as applicable, that:
- (1) Diversions under the water right(s) identified have ceased;
 - (2) Any continued use is under other water rights not subject to curtailment, specifically identifying those other rights, including the basis of right and quantity of diversion;
 - (3) Diversions under the water right(s) identified continue only to the extent that they are non-consumptive uses for which a certification for continued diversion has been submitted as specified in section 878;
 - (4) Diversions under the water right(s) identified continue only to the extent that they are to provide for minimum human health and safety needs, a certification has been filed as authorized under section 878.1, subdivision (b)(1), and the subject water right authorizes the diversion in the absence of a curtailment order; or
 - (5) Diversions under the water right(s) identified continue only to the extent that they are consistent with a petition filed under section 878.1, subdivision (b)(2) or (d), and diversion and use will comply with the conditions for approval of the petition.
- (b) All water users or water right holders whose continued diversion may be authorized under section 878.1 are required to submit, under penalty of perjury, information identified on a schedule established by the Deputy Director as a condition of certification or petition approval. The required information may include, but is not limited to, the following:

- (1) The water right identification numbers under which diversions continue
- (2) How the diverter complies with any conditions of continued diversion, including the conditions of certification under section 878.1, subdivision (b)(1);
- (3) Any failures to comply with conditions, including the conditions of certification under section 878.1, subdivision (b)(1), and steps taken to prevent further violations;
- (4) Conservation and efficiency efforts planned, in the process of implementation, and implemented, as well as any information on the effectiveness of implementation;
- (5) Efforts to obtain alternate water sources;
- (6) If the diversion is authorized under an approved petition filed pursuant to section 878.1, subdivision (b)(2), progress toward implementing the measures imposed as conditions of petition approval;
- (7) If the diversion is authorized under section 878.1, subdivision (d):
 - (A) The rate of diversion if it is still ongoing;
 - (B) Whether the water has been used for any other purpose; and
 - (C) The date diversion ceased, if applicable.
- (8) The total water diversion for the reporting period and the total population served for minimum human health and safety needs. The total population must include actual or best available estimates of external populations not otherwise reported as being served by the water right holder, such as individuals receiving bulk or hauled water deliveries for indoor water use.
- (9) Diversion amounts for each day in acre-feet per day, maximum diversion rate in cubic feet per second, and anticipated future daily diversion amounts and diversion rates.

(c) The Deputy Director, or delegee, may issue an order under this article requiring any person to provide additional information reasonably necessary to assess their compliance with this article. Any person receiving an order under this subdivision shall provide the requested information within the time specified by the Deputy Director, but not less than five (5) days.

(d) This subdivision applies to Delta Watershed curtailment orders and enhanced reporting to inform water unavailability determinations and the curtailment process described under section 876.1.

(1) All water right holders and claimants issued an initial order pursuant to section 876.1 are required, within the deadlines specified in the initial order but no sooner than seven calendar days following issuance of the order, to submit under penalty of perjury a certification that they have and will continue to take actions needed to comply with section 876.1, including the following actions:

(A) Regularly reviewing information posted on the State Water Board's drought webpage to determine when curtailments are required and when curtailments are suspended or reimposed.

(B) Subscribing to the State Water Board's Delta Drought email distribution list to receive updates directly or frequently checking the State Water Board's drought webpage; and

(C) Ceasing water diversions when curtailments are ordered, except to the extent that continuing diversions are authorized in accordance with section 878, 878.1 or 878.2.

(2) In addition to the requirements identified under subdivision (d)(1), the Deputy Director may require water right holders and claimants who have been issued an initial order under section 876.1 and whose water right or claim has a total authorized face value or recent annual reported diversion amount of one thousand acre-feet or greater to report the following information by the date specified by the Deputy Director, but no earlier than seven days after receipt of the reporting order and as specified thereafter:

(A) Prior diversions, including direct diversions and diversions to storage. Diversion volumes shall be provided in a daily, weekly, or monthly format, as identified in the order.

- (B) Demand projections for subsequent months, including direct diversions and diversions to storage. Diversion volumes shall be provided in a daily, weekly, or monthly format, as identified in the order.
- (3) The Deputy Director may issue informational orders under this subdivision requiring a water right holder, diverter, or user to provide additional information related to a diversion or use of water in the Delta Watershed, including but not limited to: additional reporting of water diversions and use; the basis of right with supporting documents or other evidence; property patent date for the place of use; the date of initial appropriation; anticipated or actual water transfer amounts; or any other information relevant to forecasting demands and supplies and determining compliance with curtailment orders in the current drought year or in contingency planning for continuation of the current drought emergency. Informational orders may require reporting of diversions made in prior months and diversions anticipated during subsequent months on a recurring, monthly basis.
- (4) Any water right holder or claimant receiving an informational order under this subdivision shall provide the requested information within the deadlines specified therein, including any recurring deadlines associated with ongoing reporting requirements as applicable. The Deputy Director may grant additional time for submission of information upon substantial compliance with the specified deadline and a showing of good cause. Information provided pursuant to this subdivision shall be submitted in an online form maintained by the State Water Board and accessible through its website.
- (5) Failure to provide the information required under this subdivision within the deadlines specified in the order or any time extension granted by the Deputy Director is a violation subject to civil liability of up to \$500 per day for each day the violation continues pursuant to Water Code section 1846.

Authority: Sections 1058, 1058.5, Water Code

Reference: Sections 100, 187, 275, 348, 1051, 1058.5, 1841 Water Code

§ 879.1. Conditions of permits, licenses and registrations

Compliance with this article, including any conditions of certification or approval of a petition under this article, shall constitute a condition of all water right permits, licenses, certificates, and registrations for diversions in the Russian River Watershed from any watershed identified in this article.

Authority: Sections 1058, 1058.5, Water Code

Reference: Cal. Const., Art. X, § 2; Sections 275, 1253, 1058.5, Water Code; *National Audubon Society v. Superior Court* (1983) 33 Cal.3d 419.

§ 879.2. Compliance and Enforcement

- (a) A diverter must comply with a curtailment order issued under this article, any conditions of certification or approval of a petition under this article, and any water right condition under this article, notwithstanding receipt of more than one curtailment order. To the extent of any conflict between applicable requirements, the diverter must comply with the requirements that are the most stringent.
- (b) Diversion or use of water in the Upper Russian River Watershed or the Delta Watershed in violation of this article constitutes an unreasonable use of water and is subject to any and all enforcement proceedings authorized by law.
- (c) Diversion or use of water in the Lower Russian River Watershed or the Delta Watershed in violation of this article is a trespass under Water Code section 1052 and shall constitute evidence of diversion or use in excess of a water user's rights.
- (d) All violations of this article shall be subject to any applicable penalties under Water Code section 1058.5. Nothing in this section shall be construed as limiting the enforceability of or penalties available under any other applicable provision of law.

Authority: Sections 1058, 1058.5, Water Code

Reference: Cal. Const., Art. X, § 2; Sections 275, 1052, 1055, 1058.5, 1825, 1831, Water Code; *National Audubon Society v. Superior Court* (1983) 33 Cal.3d 419.

APPENDIX C

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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2021-

TO ADOPT AN EMERGENCY CURTAILMENT AND REPORTING REGULATION FOR THE SACRAMENTO-SAN JOAQUIN DELTA (DELTA) WATERSHED

WHEREAS:

1. California and the entire western United States are facing a significant drought in the wake of one of the driest periods on record, driven by climate change and unprecedented hydrologic conditions. Water supply in many parts of California, including the Delta watershed, is insufficient to meet demands and requires urgent action to ensure the protection of health, safety, and the environment;
2. On April 21, 2021, Governor Gavin Newsom issued a [Proclamation of a State of Emergency for Mendocino and Sonoma counties](#), in response to drought conditions in the Russian River watershed. On May 10, 2021, Governor Newsom issued an expanded Proclamation of a State of Emergency for 41 counties, including those within the Sacramento-San Joaquin Delta (Delta) watershed ([May 2021 Proclamation](#)), in response to drought conditions. The May 2021 Proclamation finds that it is necessary to act expeditiously to mitigate the effects of drought conditions in the Delta watershed, both to ensure the protection of health, safety, and the environment and to prepare for potential sustained drought conditions. On July 8, 2021, the Governor [expanded the emergency declaration](#) to 9 additional counties and called upon Californians to voluntarily reduce their water use by 15 percent;
3. The May 2021 Proclamation directs the State Water Resources Control Board (State Water Board or Board) to consider adopting an emergency regulation to curtail water diversions when water is not available at water right holders' priority of right or to protect releases of stored water in the Delta watershed. For purposes of approving an emergency regulation pursuant to this directive, the May 2021 Proclamation also suspends the California Environmental Quality Act (CEQA) in Public Resources Code, Division 13 (commencing with section 21000) and regulations adopted pursuant to that Division;
4. The Delta watershed has experienced two consecutive extremely dry years. Together, Water Years¹ 2020 and 2021 are expected to be the second driest two-year period on record, behind only 1976-77. As of July 20, 2021,

¹ A water year is a 12-month period from October 1 to September 30 of the following year. For example, Water Year 2020 was from October 1, 2019 through September 30, 2020.

DRAFT

cumulative precipitation for Water Year 2021 was approximately 47 percent of average across the Delta watershed, with precipitation in the Sacramento River watershed being 23.2 inches and precipitation in the San Joaquin River watershed being 18.3 inches. Earlier this year, the state also experienced unprecedented loss of snowmelt runoff, which was absorbed by dry soils or evaporated amid unusually warm temperatures before reaching streams and reservoirs. These conditions have resulted in reservoir storage levels that are significantly below average: as of July 20, 2021, storage levels in major reservoirs, specifically Shasta, Oroville, and Folsom reservoirs, are around 30 percent of capacity and below 50 percent of historical average storage conditions for that date;

5. There is an urgent need to address severe water shortages in the Delta watershed to protect water supplies necessary to meet human health and safety needs, preserve stored water needed to prevent salinity from the ocean from intruding into the Legal Delta and making water unusable for municipal, industrial, and agricultural purposes, and to minimize impacts to fish and wildlife. The Delta watershed is the state's largest surface water source, supplying two-thirds of Californians with at least some portion of their drinking water. It is also home to numerous fish, wildlife, and plant species listed as threatened, endangered, or special status under the state and federal Endangered Species Acts, as well as species that hold significant cultural importance to California tribes and are vital to the commercial and recreational fishing economy. Water quality within the Legal Delta relies on an intricate balance between freshwater flows and tidal actions. Leaving freshwater storage unprotected could result in severe salinity intrusion in the Legal Delta, rendering this critical water source unusable for humans and ecosystems alike;
6. Further, there is a need to ensure continued minimum human health and safety needs are met, notwithstanding the shortage conditions. The California Water Code declares water supplies for consumption, sanitation, and cooking as a human right (Wat. Code, § 106.3); identifies domestic use as the highest water use (Wat. Code, § 106); and provides water suppliers with authority to declare a water shortage emergency to allow sufficient water for human consumption, sanitation, and fire protection (Wat. Code, § 350). Additional efforts are needed in the Delta watershed this year to ensure that water right holders and claimants without other means to access basic health and safety supplies are able to continue to access water for these uses under critical drought conditions;
7. Water agencies across California have taken actions in response to the dry conditions, including reducing or eliminating contract water deliveries and implementing mandatory and voluntary conservation efforts. The Central Valley Project (CVP) and the State Water Project (SWP), the state's two major water supply projects operating reservoirs throughout the Delta

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watershed, have announced severe reductions in contract deliveries. In 2021, the U.S. Bureau of Reclamation (Reclamation), which operates the CVP, has made no allocation to agricultural service contractors and a 25 percent allocation, or the amount needed for minimum health and safety, to municipal and industrial contractors. The Department of Water Resources (DWR), which operates the SWP, has made a five percent allocation for both municipal and agricultural contractors. In addition to water supply reductions and conservation efforts, water users have requested and received approvals for temporary changes to regulatory requirements to extend limited supplies. Many water users have also pursued water transfers and purchases from willing sellers to make up for reduced supplies;

8. On March 22, 2021, the State Water Board sent [letters regarding ongoing dry conditions in most California watersheds](#) to all water right holders and claimants in the state regarding ongoing dry conditions in most California watersheds. These letters encouraged water right holders and claimants to plan and prepare for potential water shortages later this year. The letters also notified water right holders and claimants that accurate and timely reporting of water use data will help to provide critical information needed to manage the state's water resources;
9. On June 15, 2021, the State Water Board sent [Notices of Water Unavailability](#) to all 4,300 post-1914 appropriative water right holders in the Delta watershed and warned approximately 2,300 water users with more senior water right claims that continued drought later this summer could also impact their ability to divert. These notices were based on the output of the Water Unavailability Methodology for the Delta Watershed ([Water Unavailability Methodology](#) or Methodology), developed by compiling water rights demand data and comparing those demands against available supplies. The comparison of available and forecasted supplies against water rights demands allows for a determination of the water rights that face insufficient supplies during times of shortage;
10. Prior to sending the June 15 Notices of Water Unavailability, the Methodology upon which the notices were based was subject to a 14-day public review and comment period, including a [public workshop](#) on May 21, 2021, to explain the Methodology and receive public comments. Board staff also presented the Methodology at the June 1, 2021 Board Meeting as part of an Informational Item. The State Water Board has updated the Methodology twice, in response to public comments, in addition to updates made in response to feedback from the prior drought. On July 23, 2021, the State Water Board sent additional Notices of Water Unavailability to some senior water right claimants in the Delta watershed based on the Methodology showing insufficient supply to meet all demands;

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11. As appropriate, State Water Board staff may further update the July 23, 2021 Methodology to reflect best available information. Notice of any such updates will be provided through the Board's Delta Drought email distribution list and posting on the Board's drought website;
12. During the dire drought conditions currently being experienced in the Delta watershed, it is imperative that water right holders and claimants who do not have water available at their priority of right and do not have a need or obligation to provide water for minimum human health and safety uses cease diversions of water that is needed for more senior rights and to prevent unauthorized diversion of previously stored water needed for salinity control, human health and safety supplies, and minimal ecosystem protections;
13. Water Code section 1058.5 provides the State Water Board the authority to adopt emergency regulations in certain drought years or when the Governor proclaims a drought state of emergency in order to "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports";
14. Article X, section 2 of the California Constitution declares that the water resources of the state must be put to beneficial use to the fullest extent possible and the unreasonable use of water be prevented. Relevant to the current drought conditions, the California Supreme Court has clarified that "[w]hat may be a reasonable beneficial use, where water is present in excess of all needs, would not be a reasonable beneficial use in an area of great scarcity and great need. What is a beneficial use at one time may, because of changed conditions, become a waste of water at a later time." (*Tulare Irr. Dist. v. Lindsay-Strathmore Irr. Dist.* (1935) 3 Cal.2d 489, 567.) The reasonable use doctrine applies to the diversion and use of both surface water and groundwater, and it applies irrespective of the type of water right held by the diverter or user. (*Peabody v. City of Vallejo* (1935) 2 Cal.2d 351, 367.) This regulation is in furtherance of article X, section 2 during this drought emergency;
15. Adoption of an emergency regulation is necessary to address the immediate and dire water shortages in the Delta watershed. An emergency regulation will enable the State Water Board to act in a timely manner to enforce the water right priority system with respect to all water right holders and claimants and to protect critical water storage needed for minimum health and safety, salinity control in the Legal Delta, and some ecosystem protection;
16. The State Water Board is adopting the emergency regulation due to severe emergency drought conditions and the need for prompt action;

D R A F T

17. The regulation will rely upon the current Methodology, including any updates to that Methodology, for curtailment decisions, as well as more real-time publicly available and reliable information to support sub-monthly suspension and re-imposition of curtailments due to precipitation and runoff events as appropriate. State Water Board staff will identify the specific sources used to support sub-monthly curtailment decisions as part of its email and website updates on curtailments;
18. The regulation supports cooperative agreements among water right holders and claimants in the Delta watershed to share or forebear the use of available water and avoid curtailment. Such agreements must not result in injury to other water right holders and claimants or cause unreasonable harm to fish and wildlife. Such agreements are expected to achieve the overall objectives that would otherwise be served by curtailment;
19. Emergency regulations adopted under Water Code section 1058.5 remain in effect for up to one year; and
20. Pursuant to Water Code section 7, the State Water Board is authorized to delegate authority to staff.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board adopts California Code of Regulations, Title 23, Division 3, Chapter 2, Article 24, Sections 876, 876.1, and 878.2, and amendments to Sections 877.1, 878, 878.1, 879, 879.1 and 879.2, as appended to this resolution as an emergency regulation;
2. State Water Board staff will submit the regulation to the Office of Administrative Law (OAL) for final approval;
3. If, during the approval process, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director, the Deputy Director for the Division of Water Rights, or their designee, may make such changes;
4. This regulation shall remain in effect for one year after filing with the Secretary of State unless the State Water Board determines that it is no longer necessary due to changed conditions, or unless the State Water Board renews the regulation due to continued drought conditions as described in Water Code section 1058.5;

D R A F T

5. The State Water Board directs staff to process as expeditiously as possible any proposals for cooperative agreements which may be offered as alternatives to curtailments;
6. The State Water Board directs staff to publicly notice through the Board's email distribution list and posting on the drought website any changes to the Water Unavailability Methodology at least 24 hours prior to implementation. If those changes are substantial, State Water Board staff shall hold a workshop as soon as practical, which may be subsequent to implementation. Staff shall provide updates on the changes to the Water Unavailability Methodology during regularly scheduled Board Meetings; and
7. The State Water Board directs staff to engage with stakeholders by December 31, 2021, or as soon as practical to identify and explore other possible approaches that could be developed and implemented to address severe water supply shortages and related concerns, including reservoir storage, minimum health and safety supplies, and maintaining salinity control in the Legal Delta. Examples include, but are not limited to, a curtailment methodology similar to standard water right Term 91 that is currently included in more junior water right licenses and permits.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on August 3, 2021.

Jeanine Townsend
Clerk to the Board

APPENDIX D



July 9, 2021

VIA EMAIL

Chair Esquivel and Members of the State Water Resources Control Board
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

Re: Protection of Stored Water and Enforcement of California's Water Rights System

Dear Chair Esquivel and Members of the State Water Resources Control Board:

On behalf of the water agencies that serve 40 million people, those who farm more than 6 million acres of land, and those responsible for 300,000 acres of wildlife refuges, the Tehama Colusa Canal Authority, San Luis & Delta-Mendota Water Authority, Friant Water Authority, and State Water Contractors (collectively, "CVP & SWP Agencies") request that you consider, as quickly as possible, immediate action to protect the beneficial uses of water in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary ("Bay-Delta Estuary"), including the releases of previously stored water by the Central Valley Project ("CVP") and State Water Project ("SWP"). Many of us have received a zero allocation for this year's Project water, or significantly reduced public health and safety deliveries, and we all recognize that unauthorized diversions of previously stored water harm CVP and SWP future supplies. The State Water Resources Control Board ("State Water Board") has the authority and the obligation to take action to protect this water.

Action Is Required to Protect Reclamation's and DWR's Ability to Meet Current Requirements

As you are aware, due to the extremely dry conditions this year, the United States Bureau of Reclamation ("Reclamation") and California Department of Water Resources ("DWR") are not able to achieve the purposes established for the CVP and SWP. Among others, the urban, agricultural, fish, and wildlife uses served by the CVP and SWP are suffering. The CVP & SWP Agencies are concerned that suffering is exacerbated by the unauthorized diversion and use of previously stored water by others outside of the CVP and SWP and severely impact Reclamation's and DWR's ability to meet current and future regulatory requirements.

The CVP & SWP Agencies are concerned that the circumstances forewarned by the State Water Board, in its recent order approving Reclamation's and DWR's temporary urgency change petition, have been occurring and will continue to occur, absent action by the State Water Board:

Currently, the Petitioners [Reclamation and DWR] hold primary responsibility for meeting Bay-Delta Plan flows and salinity requirements as part of D-1641. During times of limited supplies like this year, meeting those requirements can require significant contributions of previously stored water releases, both due to limited natural flows and due to other water users diverting water when it is not available under their water rights. These circumstances deplete reservoir storage, and in years like this year when reservoir storage is at critically low levels, create significant concerns for temperature management, health and safety water supplies, and salinity management in the Delta if dry conditions persist.

(June 1, 2021 Order Conditionally Approving a Petition for Temporary Urgency Changes to License and Permit Terms and Conditions Requiring Compliance with Delta Water Quality Objectives in Response to Drought Conditions, page 7.) Indeed, depletions in the Delta have been exceeding conservative forecasts and levels that occurred in previous droughts. The unabated in-Delta depletions impair the ability of Reclamation and DWR to protect reservoir storage and meet in-Delta water quality objectives, including targets for temperature management.

Allowing these circumstances to continue and worsen would be inconsistent with the Governor's recent direction to state agencies to take action to conserve water upstream, protect carry-over storage, and protect water transfers. (May 10, 2021 Drought Proclamation.)

The State Water Board Has the Hydrologic and Hydrodynamic Data to Support Action

More than twenty years ago, the State Water Board acknowledged that there is insufficient water available during certain months of the year to supply riparian water right holders in the southern Delta in certain year types. (Revised D-1641 at p. 33.) Responding to objections from South Delta Water Agency ("SDWA") to a petition to support the San Joaquin River Agreement, the State Water Board rejected claims of injury by SDWA. The State Water Board explained:

The fundamental issue with respect to SDWA's claim that its members have riparian rights that could be impaired by the proposed changes, therefore, is whether there is sufficient natural flow to satisfy the diversion requirements of riparian right holders in the southern Delta.

(Revised D-1641 at p. 30.) After reviewing evidence, including evidence presented by SDWA, and making assumptions that favored SDWA, the State Water Board rendered three conclusions:

1. On average, insufficient water is available to supply the southern Delta in Below Normal, Dry and Critical Dry years in August, September and October.
2. On average, sufficient water is available in September only in Wet Years.

3. Insufficient water is available in July during 16 percent of years, in August during 56 percent of years, in September during 78 percent of years, and in October during 70 percent of years.

(*Id.* at p. 33.) Given the current water year's classification as Critically Dry, there is no doubt that this is a year in which there is insufficient water to support the diversion of water in the southern Delta under riparian rights.

Moreover, current hydrologic and hydrodynamic data demonstrate that more water is being diverted from the Delta than natural flow to support such diversions. In DWR's June 28, 2021 Delta Operations Summary, DWR reports 8,859 cubic feet per second ("cfs") of water flowing into the Delta, the majority of which is previously CVP and SWP stored water releases. Reclamation and DWR are making 3,500 cfs available for outflow and are pumping a total of 900 cfs through the C.W. "Bill" Jones and Harvey O. Banks pumping plants. (See attached DWR Delta Operations Summary for June 28, 2021.) Using simple flow balance, in-Delta depletions are estimated to be 4,450 cfs, which exceeds the total outflow and CVP/SWP combined pumping. (*Id.*) The rights asserted by those within the Delta do not support the current level of depletions, and neither in-Delta riparian nor appropriation water right holders are entitled to divert previously stored water under their water rights. (*El Dorado Irr. Dist. v. SWRCB* (2006) 142 Cal.App.4th 937, 962, 976; see also *Phelps v. SWRCB* (2007) 157 Cal.App.4th 89, 107, 111.) Because of unabated depletions in the Delta, Reclamation and DWR have been required to increase their release of CVP and SWP water from storage and/or reduce the amount of water pumped at the Jones and Banks pumping plants, depriving the CVP and SWP of critical water supplies and placing at risk the ability of Reclamation and DWR to meet the terms and conditions of their water rights, and specifically those intended to protect the Bay-Delta Estuary.

The State Water Board has the Authority to Take Action

We encourage the State Water Board to act immediately and protect the previously stored CVP and SWP water and ensure all water rights are exercised in accordance with the law. The State Water Board must take action, using best available data and respecting due process, to stop unlawful appropriation of previously stored CVP and SWP water or other appropriations not supported by law and hydrology.

We support the State Water Board's efforts to collect data to inform water rights administration, and encourage it to improve upon the data collection effort it began during the last drought. Action is required *now* to improve upon existing data and expedite decision making.

Conclusion

There is no doubt that the task before the State Water Board is a difficult one. The State Water Board must take immediate action to protect CVP and SWP water flowing through the Delta. It must also continue to shore up data collection so it can be better prepared to take action in future droughts.

For all the reasons outlined in this letter, the CVP & SWP Agencies respectfully request that the State Water Board take immediate action to protect the beneficial uses of water in the Bay-Delta Estuary by protecting previously stored water from unauthorized diversions.

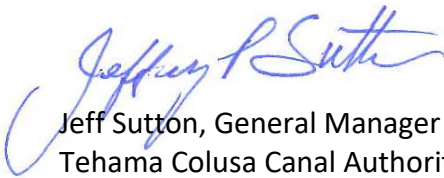
Regards,



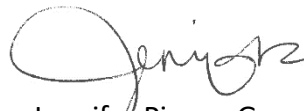
Federico Barajas, Executive Director
San Luis & Delta-Mendota Water Authority



Jason Phillips, Chief Executive Officer
Friant Water Authority



Jeff Sutton, General Manager
Tehama Colusa Canal Authority



Jennifer Pierre, General Manager
State Water Contractors

cc: Ernest Conant
Karla Nemeth
Eileen Sobeck
Kristin White

From: [DWR_OCO_Export_Management](mailto:DWR_OCO_Export_Management@LISTSERVICE.CNRA.CA.GOV)
To: DWR_DELTA_OPERATIONS_SUMMARY@LISTSERVICE.CNRA.CA.GOV
Subject: Delta Operations Summary for July 07, 2021
Date: Wednesday, July 7, 2021 9:10:08 AM

PRELIMINARY DATA

SUBJECT TO REVISION WITHOUT NOTICE

EXECUTIVE OPERATIONS SUMMARY ON 7/7/2021

This summary, State Water Project informational data, and data for previous 30 days can also be found at:
<https://water.ca.gov/Programs/State-Water-Project/Operations-and-Maintenance/Operations-and-Delta-Status>

SCHEDULED EXPORTS FOR TODAY

Clifton Court Inflow = 100 cfs
Jones Pumping Plant = 800 cfs

ESTIMATED DELTA HYDROLOGY

Total Delta Inflow ~ 8,859 cfs
Sacramento River = 7,142 cfs
San Joaquin River = 1,334 cfs

DELTA OPERATIONS

Delta Conditions = Balanced
Delta x-channel Gates (% of day is open) = 100%
Outflow Index ~ 3,500 cfs
% Inflow Diverted = 10.3% (3-day avg)
X2 Position (yesterday) > 81.0 km
Controlling Factor(s) = Delta WQ
OMR Index Daily Value = -1,400 cfs

RESERVOIR STORAGES (AS OF MIDNIGHT)

Shasta Reservoir = 1,687 TAF
Folsom Reservoir = 275 TAF
Oroville Reservoir = 1,080 TAF
San Luis Res. Total = 625 TAF
SWP Share = 514 TAF

Reservoir data and reports are available at:
<http://cdec.water.ca.gov/reservoir.html>

RESERVOIR RELEASES

Keswick = 9,250 cfs
Nimbus = 1,300 cfs
Oroville = 3,000 cfs

If you have any questions regarding the preliminary data
in this report, please contact OCO_Export_Management@water.ca.gov

APPENDIX E



July 29, 2021

Via Email – commentletters@waterboards.ca.gov

Ms. Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

Re: 8/3/2021 BOARD MEETING – ITEM #5 (Consideration of a proposed Resolution to adopt an Emergency Curtailment and Reporting Regulation for the Sacramento-San Joaquin Delta (Delta) Watershed)

Dear Ms. Townsend,

This letter is submitted on behalf of the San Luis & Delta-Mendota Water Authority, Friant Water Authority, and Tehama Colusa Canal Authority ("Water Authorities") regarding Item #5, Consideration of a proposed Resolution to adopt an Emergency Curtailment and Reporting Regulation for the Sacramento-San Joaquin Delta (Delta) Watershed, at the upcoming August 3, 2021 meeting of the State Water Resources Control Board ("State Water Board").

The Water Authorities have reviewed the State Water Board's proposed "Resolution No. 2021-____ to Adopt an Emergency Curtailment and Reporting Regulation for the Sacramento-San Joaquin Delta (Delta) Watershed" and the draft regulations that would add or revise sections 876.1, 877.1, 878, 878.1, 878.2, 879, 879.1, and 879.2 of Title 23 of the California Code of Regulations ("Draft Emergency Regulations"). We appreciate the State Water Board's attention to our prior request for action to protect releases of previously stored water by the Central Valley Project ("CVP") and water transfers that are moving through the Delta. We encourage the State Water Board to take action to protect previously stored water and offer minor amendments to the Draft Emergency Regulations.

Given the underlying lack of precipitation and unanticipated reduction in the amount of runoff into reservoirs and streams this year compared to forecasts, action to curtail unauthorized diversions has become increasingly necessary to protect the United States Bureau of Reclamation's ("Reclamation") ability to achieve the urban, agricultural, and fish and wildlife

purposes established for the CVP that are met through releases of previously stored water. Despite only having the responsibility of managing a portion of flows in the Delta watershed, Reclamation (with the California Department of Water Resources) holds primary responsibility for meeting Bay-Delta Plan objectives, and unabated, unauthorized in-Delta diversions have already significantly impaired Reclamation's ability to successfully meet those objectives and protect storage in CVP reservoirs, as detailed in the operations plan conditionally approved by the State Water Board Executive Director. Allowing these unauthorized diversions to continue is inconsistent with the Governor's direction to state agencies to take action to conserve water upstream, protect carry-over storage, and protect water transfers. (May 10, 2021 Drought Proclamation.) In addition, unauthorized diversions of previously stored water pose great risk to CVP future supplies, which would have additional impacts to the Water Authorities' member agencies that are already suffering in the current drought.

The Water Authorities offer the following comments regarding the proposed Resolution and Draft Emergency Regulations. First, the Draft Emergency Regulations, Section 876.1, should be revised to clarify that the curtailments do not apply to diversions under valid contract right, authorized water transfers, or to water user storage. In contrast, the curtailments should apply to enforce against diversions of natural flows and unauthorized diversions of previously stored Project water. Second, Section 878.2, should contain specific time frames for the Deputy Director's consideration of alternative water sharing agreements. Third, the State Water Board should consider revising section 4 of the proposed Resolution that states the regulation would remain in effect for one year after filing with the Secretary of State. Given the potential for increased precipitation later in the calendar year, a shorter term seems appropriate, with an option for the State Water Board to extend the term if conditions remain dry and demand remains high. Finally, we recommend the State Water Board continue to consider comments provided by interested parties on related issues.

We appreciate the direction in the proposed Resolution that staff should engage with stakeholders to identify and explore other approaches to address severe water supply shortages and related concerns in the near future. (See proposed Resolution, § 7.) That process as well as continued data collection efforts will provide important opportunity for engagement, increase transparency, and provide additional information on the appropriation of water.

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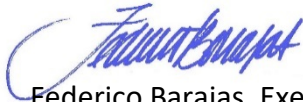
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July 29, 2021

Page 3 of 3

In closing, we encourage the State Water Board to act swiftly to protect previously stored and transfer water and ensure all water rights are exercised in accordance with the law.

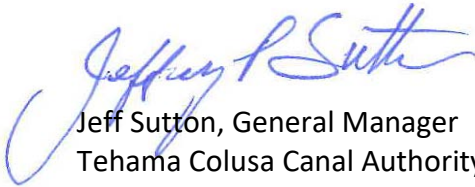
Regards,



Federico Barajas, Executive Director
San Luis & Delta-Mendota Water Authority



Jason Phillips, Chief Executive Officer
Friant Water Authority



Jeff Sutton, General Manager
Tehama Colusa Canal Authority

cc: Bay-Delta@waterboards.ca.gov

Ernest Conant

Kristin White

Russell Callejo



**San Luis & Delta-Mendota Water Authority
Monday, August 2, 2021, 12:00 p.m.**

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

Telephonic Participation

(669) 900 6833

Meeting ID: 838 6808 6246

Passcode: 672223

**SLDMWA Boardroom
842 6th Street, Los Banos, CA 93635**

NOTE: In accordance with the Governor's Executive Order N-09-21, members of the Finance & Administration Committee/Board and Water Authority staff will be participating in this meeting from multiple locations. This meeting will occur with an in-person option for members of the Finance & Administration Committee and Board interested in attending at the San Luis & Delta-Mendota Water Authority Los Banos Administrative Office, 842 6th Street, Los Banos, California. There will still be an option to attend by calling in for members of the Finance & Administration Committee, Board, and the public. If members of the public have any problems using the call-in number during the meeting, please contact the Authority office at 209-826-9696.

NOTE FURTHER: Any member of the public may address the Finance & Administration Committee/Board concerning any item on the agenda before or during consideration of that item.

Because the notice provides for a regular telephonic meeting of the Finance & Administration Committee ("FAC") and a joint regular telephonic 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.

Agenda

1. Call to Order/Roll Call
2. Finance & Administration Committee to Consider Additions or Corrections to the Agenda for the Finance & Administration Committee Meeting only, as Authorized by Government Code Section 54950 et seq.
3. Opportunity for Public Comment – Any member of the public may address the Finance & Administration Committee/Board concerning any matter not on the Agenda, but within the Committee's or Board'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

4. Finance & Administration Committee to Consider Approval of the July 12, 2021 Meeting Minutes
5. Finance & Administration Committee to Consider Recommendation to Board of Directors to Approve Plan for Remote Public Viewing and/or Participating in Committee and Board Meetings

REPORT ITEMS

6. FY22 Activity Agreements Budget to Actual Report through 6/30/21

7. FY22 O&M Budget to Actual Report through 6/30/21
8. Procurement Activity Report
9. Executive Director's Report, Barajas
 - a. DMC Subsidence Mitigation Project
 - b. (May include reports on activities within the Finance & Administration Committee's jurisdiction related to 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities; 6) COVID-19 response)
10. Committee Member Reports
11. Reports Pursuant to Government Code Section 54954.2(a)(3)
12. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office via telephone (209) 826-9696 or email [cheri.worthy@sldmwa.org or sandi.ginda@sldmwa.org] at least 3 days before a regular meeting or 1 day before a special meeting/workshop.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes, or other obligations. Any projections, plans, or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes, or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
TELEPHONIC FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING
AND
JOINT TELEPHONIC FINANCE & ADMINISTRATION COMMITTEE REGULAR
MEETING / SPECIAL BOARD WORKSHOP
MINUTES FOR JULY 12, 2021**

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:00 p.m. This meeting was held via teleconference/ZOOM in accordance with the Governor's Executive Order (N-29-20) and the declared State of Emergency as a result of the threat of COVID-19, with Chair Rick Gilmore presiding.

Members and Alternate Members in Attendance

Ex Officio

Cannon Michael
William Bourdeau

Division 1

Rick Gilmore, Member - Anthea Hansen, Alternate

Division 2

Bobbie Ormonde, Member

Division 3

Chris White, Member - Jarrett Martin, Alternate

Division 4

Sara Singleton, Member - Dana Jacobson, Alternate

Division 5

Bill Pucheu, Member

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Board of Directors Present

Division 1

Anthea Hansen, Director
Rick Gilmore, Director
Lea Emmons, Alternate

Division 2

William Bourdeau, Director

Division 3

Chris White, Director - Jarrett Martin, Alternate
Cannon Michael, Director

Division 4

Sara Singleton, Alternate

Division 5

Bill Pucheu, Director

Authority Representatives Present

Federico Barajas, Executive Director

Rebecca Akroyd, General Counsel

Pablo Arroyave, Chief Operating Officer

Scott Petersen, Water Policy Director

Frances Mizuno, Special Projects Administrator

Joyce Machado, Director of Finance

Lauren Neves, Accountant III

Stewart Davis, IT Officer

Gerald Robbins, Special Programs Manager

Jaime Bowker, Summer Clerk

Others in Attendance

Minnie Moreno, Del Puerto Water District

1. Call to Order/Roll Call

Chair and Member Rick Gilmore called the meeting to order at approximately 12:00 p.m.

2. Additions or Corrections to the Agenda

There were no additions or corrections.

3. Opportunity for Public Comment

There was no public comment.

4. Finance & Administration Committee to Consider Approval of the June 7, 2021 Meeting Minutes.

Chair Rick Gilmore pronounced the June 7, 2021 meeting minutes approved without any revisions.

5. Finance & Administration Committee to Consider Recommendation to Board of Directors to Approve Water Year 2021 Recalculated Rates.

Chief Operating Officer Pablo Arroyave presented the Water Year 2021 recalculated rates. Arroyave explained that version 1 did not include any additional water transfers and version 2 accounted for the potential water transfer deliveries from OID/SSJID. The Committee deliberated on the two options presented and the recommendation to Board was to adopt Version 1,

excluding the potential deliveries of OID/SSJID transfer water.

Member Bobbie Ormonde made the motion to approve Water Year 2021 recalculated rates. The motion was seconded by Ex Officio Member William Bourdeau and passed unanimously. The Committee action is reported as follows:

AYES:	Michael, Bourdeau, Gilmore, Ormonde, White, Singleton, Pucheu, Orvis
NOES:	None
ABSTENTIONS:	None

REPORT ITEMS

6. FY22 Activity Agreements Budget to Actual Report through 5/31/21.

Director of Finance Joyce Machado reported on the Budget to Actual Comparison Summary for May 31, 2021 for the member-funded activities. Machado stated that for the three-month period, the budget was trending positive with overall spending through May 31, 2021 at 13.22% of the approved budget.

7. FY22 O&M Budget to Actual Report through 5/31/21.

Director of Finance Joyce Machado reported to the Committee that for WY21 the self-funded routine O&M expenses through May 31, 2021 were under budget by \$513,308. What remains outstanding is the WY19 and WY20 final accountings and the Intertie O&M cost recovery.

8. Procurement Activity Report.

Director of Finance Joyce Machado presented the procurement activity for the period of June 3rd through July 6th. On June 25th the Authority executed a contract with National Electric Coil for the Jones Pumping Plant Unit 4 Rewind Project in the amount of \$4,431,356, with funding from the FY22 approved capital improvement projects budget. On June 29th a contract was executed with DHR Hydro Services, Inc. for Jones Pumping Plant Unit 4 Rewind Project Management. The contract amount was for \$532,790 and the funding source was also from the FY22 approved EO&M budget.

9. Executive Director's Report.

Executive Director Federico Barajas provided two updates to the Committee. First, Barajas provided an update related to the DMC subsidence correction project. Barajas stated that Chief Operating Officer Pablo Arroyave has continued to work on the Cooperative agreement as discussed in last month's meeting. Next, Barajas updated the Committee that starting in August the Authority will begin holding in-person FAC and Board meetings.

10. Committee Member Reports.

No reports given.

11. Reports Pursuant to Government Code Sec 54954.2

No reports given.

12. Agenda Item 13: Adjournment.

The meeting was adjourned at approximately 12:41 p.m.



MEMORANDUM

TO: SLDMWA BOARD OF DIRECTORS
FROM: DAN KEPPEL, EXECUTIVE DIRECTOR
SUBJECT: EXECUTIVE DIRECTOR'S REPORT
DATE: AUGUST 2, 2021

This memo is intended to keep you apprised as to what is happening behind the scenes on policy issues the Family Farm Alliance is engaged in. In the past month, much of our efforts have focused on engaging the Biden Administration, tracking water legislative developments in Congress, working on drought messaging, and influencing Western water infrastructure provisions to be included in bipartisan infrastructure legislation. These issues and other matters important to our members are further discussed in this memo.

BIDEN ADMINISTRATION DEVELOPMENTS

1. Appointments

a. Director of Bureau of Land Management

Amidst growing resistance by Republicans in both chambers of Congress, the Senate Energy and Natural Resources (ENR) Committee deadlocked on President Biden's nominee for director of the Bureau of Land Management (BLM), Ms. Tracy Stone-Manning, after more than an hour of contentious debate over her involvement in a tree-spiking case more than three decades ago. Senate Minority Leader Mitch McConnell (R-Ky.) joined a large group of Republicans, including Rep. Bruce Westerman (R-Ark.), who led 75 members in a letter to President Joe Biden, urging him to withdraw his nomination of Ms. Stone-Manning.

The 10-10 committee vote, split evenly along party lines, is likely little more than a procedural speed bump for Ms. Stone-Manning on her path toward eventual confirmation as director of BLM, the federal government's largest landowner, one that has a strong presence in many Western rural communities. While the tie vote will force her nomination to be referred "unfavorably" to the full

Senate, Democrats are expected to eventually approve a motion to discharge her nomination from the committee, setting up a narrow vote (timing uncertain) to eventually approve her as BLM director. It's possible the full Senate vote could end up in a 50-50 tie, requiring Vice President Kamala Harris to serve as tiebreaker.

b. Interior Department Solicitor

The committee also approved Mr. Robert Anderson as Department of the Interior Solicitor by a vote of 10-9. Alaska Sen. Lisa Murkowski was the lone Republican to vote in favor of Mr. Anderson, who is currently serving as the agency's principal deputy solicitor. The committee initially voted, by the same margin, to approve Mr. Anderson in May, but last month's revote was required to correct a procedural mistake.

c. Other Interior Appointments

Elsewhere at Interior, several key appointments were recently made to the agency leadership team, including Joe Younkle as Special Assistant to the Assistant Secretary for Water and Sciences, Tanya Trujillo, who oversees the Bureau of Reclamation and U.S. Geological Service. Mr. Younkle is a descendant of the Oneida Nation of Wisconsin and most recently served as Congressional Relations Associate at the National Indian Health Board where he led their Congressional advocacy on Medicare and Medicaid. According to an Interior press statement, more than 50% of the Biden leadership team identifies as Black, Indigenous or people of color, and 75% as women.

d. USDA Undersecretary for Farm Production and Conservation

The Senate Agriculture, Nutrition and Forestry Committee last month held a hearing on the nomination of Robert Bonnie, a former USDA undersecretary during the Obama Administration, for Undersecretary for Farm Production and Conservation. The hearing also considered the nomination of former Rep. Xochitl Torres Small (D-NM) for Undersecretary for Rural Development. Mr. Bonnie was questioned about the administration's approach to carbon markets as they affect farmers. He said he would consult both Congress and farmers while designing climate programs.

2. Westerman, Gosar Continue Investigating DOI Officials' Ethics Compliance

House Committee on Natural Resources Ranking Member Bruce Westerman (R-Ark.) and Subcommittee on Oversight and Investigations Ranking Member Paul Gosar (R-Ariz.) last month sent a letter to U.S. Department of the Interior (DOI) Deputy Solicitor of Water Resources Daniel Cordalis and DOI's designated agency ethics official Heather Gottry, requesting information to evaluate Cordalis's compliance with his ethical requirements. Cordalis "leveraged his position as a political appointee to overrule a January 14, 2021 legal policy penned by nonpolitical career

officials related to requirements” under the Central Valley Project Improvement Act (CVPIA), Reps. Westerman and Gosar wrote in a [letter](#) to Interior ethics official Heather Gottry.

Former Secretary Bernhardt signed a memo on Jan. 19 establishing that under the CVPIA, certain mitigation benchmarks had been "completed," which lowered the ceiling on the amount of money contractors were required to pay for mitigation by millions of dollars. The move was strongly criticized by Native American tribes like the Hoopa Valley and Yurok. The GOP critics now allege that a beneficiary of the latest policy change is the Yurok Tribe, which Mr. Cordalis represented in litigation against the Bureau of Reclamation during the Trump years while working for Earth Justice. They also note that Mr. Cordalis' wife, Amy, is the tribe's general counsel.

3. Environmental Protection Agency / Corps of Engineers: WOTUS Rulemaking

The U.S. Environmental Protection Agency (EPA) and U.S. Department of the Army Corps of Engineers (Corps) have announced plans for upcoming community engagements to inform their efforts to revise the Trump Administration’s definition of “waters of the United States” (WOTUS) to “better ensure clean and safe water for all”. The agencies intend to replace the Trump Administration’s Navigable Waters Protection Rule following a process that includes two rulemakings. A forthcoming foundational rule would restore the regulations defining WOTUS that were in place for decades until 2015, with updates to be consistent with relevant Supreme Court decisions. A separate, second rulemaking process would refine this regulatory foundation and establish an updated and durable definition of “waters of the United States.”

a. Public Outreach Planned by the Administration

To help ensure that EPA and the Corps hear from diverse perspectives, future engagement activities will be developed in coordination with the U.S. Department of Agriculture (USDA). EPA and the Corps have announced a series of engagement opportunities, including an opportunity for stakeholders and the public to provide written recommendations and a series of public meetings in August to hear perspectives on both rules. In addition, the agencies are initiating consultations for the foundational rule. The agencies also intend to host a series of dialogues with state and Tribal co-regulators this fall to discuss both rulemakings. The agencies plan to convene ten regionally focused and inclusive roundtables during the upcoming fall and winter. These roundtables will allow a full range of stakeholders to engage and discuss their experience with definitions of WOTUS—including what has worked and what has not within their geographic areas.

b. WOTUS Controversy Continues

The 1972 Clean Water Act (CWA) prohibits the discharge of pollutants from a point source to navigable waters unless otherwise authorized under the Act. Navigable waters are defined in the Act as “the waters of the United States, including the territorial seas.” Thus, “waters of the United States” is a threshold term establishing the geographic scope of federal jurisdiction under the CWA. The term “waters of the United States” is not defined by the Act but has been defined by

EPA and the Army in regulations since the 1970s and jointly implemented in the agencies' respective programmatic activities. Conservationists have challenged the Trump rule in multiple courts across the country.

EPA and the Corps earlier in the year said they would withdraw the Trump WOTUS regulation because it did not adequately protect waterways and wetlands in arid states. The agencies said they were also aware of 333 projects that would have required dredge-and-fill CWA permits before the Trump rule, but no longer do. A group of Republican senators wrote a letter to the Biden Administration demanding more details, including "the complete analysis" conducted by the agencies to identify the 333 projects that no longer required permits under the Trump-era rule. Senator Shelley Moore Capito (R-WV) led that effort, and raised the issue with Michael Connor, President Biden's nominee for Assistant Secretary of the Army (Civil Works) at his recent confirmation hearing before the Senate ENR Committee.

c. Federal Court Denies Request to Vacate Trump Rule

A federal court last month denied a request from conservation groups to throw out the Trump-era WOTUS rule while the Biden Administration works to draft its new regulation. The Biden Administration in June asked judges to remand the Trump WOTUS rule back to EPA while it writes a new rule, but not to throw it out in the interim. The conservation groups protested, filing a motion opposing the Biden Administration's request. In a short order without explanation, the U.S. District Court in South Carolina remanded the Trump WOTUS rule without vacating it. The court then dismissed the case, effectively leaving the Trump WOTUS rule in place in the interim.

d. WOTUS in the West

The Family Farm Alliance has made engagement on WOTUS – which now spans three presidential administrations- a top priority. During the Trump Administration era, working with a team of Western attorneys and water managers, the Alliance developed detailed comment letters to EPA and the Corps, urging them to repeal the 2015 rule, and providing guidance as to how the new rule should look. We thought the Trump rule repeal and replacement was actually a good thing for the West, despite what the media outlets said. It looks like we'll be dusting off our comments on the Trump rule to once again express our foundational concerns on any new WOTUS rule. For more information on submitting written recommendations or to register for the public meetings, see www.epa.gov/wotus.

DEVELOPMENTS IN CONGRESS

4. Bipartisan Infrastructure Agreement

The White House and a bipartisan group of senators finally reached an agreement on infrastructure stimulus legislation more than a month after tentatively agreeing to a framework. The Senate voted

67-32 on July 28 to move forward with the deal, which includes significant support for Western water infrastructure. While the Senate vote is a positive sign, the bill may not ultimately clear the chamber until this week. The deal includes \$550 billion in new federal investments in a wide array of infrastructure categories, including roads, bridges, rail and Amtrak improvements, broadband, clean drinking water, transit, ports, airports, and electric vehicle chargers.

The bipartisan legislation includes the Western water and forestry infrastructure provisions found in the Energy Infrastructure Act recently reported out of the Senate ENR Committee. The package will be financed through a combination of redirecting unspent emergency relief funds, targeted corporate user fees, and other measures, in addition to the revenue generated from higher economic growth as a result of the investments, the White House said. The Senate voted on July 30 to proceed to the bill. This is one critical step in what is likely to be a long and bumpy road to enactment. Final House-Senate action and enactment is unlikely before October, at the earliest.

a. Criticism

Not everyone is pleased with the bipartisan package, with critics from both parties vocalizing their concerns within hours of the announcement that a deal had been struck. House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OREGON) criticized the bipartisan package and questioned the negotiation process and messaging stemming from the White House. Rep. DeFazio and a group of 31 Democrats publicly warned party leaders that they're "concerned about suggestions that the House may take up any Senate product without input or modification." On the other side of the political spectrum, former President Donald Trump threatened "lots of primaries" ahead for any Republican lawmakers who cooperated with Democrats to get the bipartisan deal passed, according to *Insider*.

b. Reconciliation on the Horizon

If the Senate is able to pass the bill in the coming days, Democrats hope to quickly pivot to passing a budget for FY 2022, which would set up a fast-track process to enact much of the rest of President Biden's economic agenda without Republican support. Senate Budget Chairman Bernie Sanders told reporters he has the 50 votes needed to pass a budget resolution in early August, according to *Bloomberg Government*. However, Senator Kyrsten Sinema (D-ARIZONA), the lead negotiator for Democrats on the bipartisan bill, said that while she will vote to proceed on the budget resolution, the \$3.5 trillion price-tag is too high for her to support and will need to be modified.

Majority Leader Chuck Schumer (D-NY) has also pushed his Democratic caucus to come to agreement on the budget resolution package of \$3.5 trillion in additional spending for social programs and health care. Senate Minority Leader Mitch McConnell (R-KY) said that the Senate Democrats' \$3.5 trillion budget deal is "wildly out of proportion to what the country needs now," at a time when inflation is "raging", according to *The Hill*. Speaker Nancy Pelosi (D-CALIFORNIA) has said the House won't act on the Senate's bipartisan package until it also passes the \$3.5 trillion FY 2022 budget resolution. This would unlock the budget reconciliation process

that Democrats are hoping will allow them to pass the rest of Biden’s domestic infrastructure agenda by a simple majority in the Senate, bypassing the GOP in the evenly divided chamber, with the Vice President breaking the tie.

c. Recent Developments

POLITICO this morning reported that the Senate spent a long working weekend finalizing the text of the bipartisan infrastructure package. But House leaders are still vowing not to vote on the bill until a reconciliation measure also passes the Senate. On Sunday, Chuck Schumer said he predicted the chamber would pass the infrastructure framework “in a matter of days” and reiterated his vow that the chamber would pass both the bipartisan bill and a budget blueprint for Democrats’ \$3.5 trillion social spending package before the August recess. But first, the bill will go through an intense amendment process, which we engaged in with several Western Senate offices.

d. Family Farm Alliance Actions

Contractors working for the Family Farm Alliance are analyzing the 2,540 page bill. So far, it appears that few, if any, changes have been made to the Western Water Title in the infrastructure bill reported out of the Senate ENR Committee. That bill included \$8.3 billion for the Bureau of Reclamation, including \$3.2 billion for aging infrastructure, \$1.15 billion for new storage and conveyance, \$100 million for small scale storage projects, \$250 million for ecosystem restoration, \$100 million for multi-benefit watershed projects and \$400 million for WaterSMART, including \$100 million for natural infrastructure projects.

Those provisions closely match the infrastructure package advanced by a Western water coalition that collectively represents thousands of Western farmers, ranchers, water providers, businesses and communities who help provide \$120 billion of agricultural production on millions of acres of productive land. The coalition is led by a steering committee comprised of the Alliance, Association of California Water Agencies, California Farm Bureau, National Water Resources Association (NWRA) and Western Growers. The Alliance and this coalition are urging the Senate to pass the bipartisan legislation, which includes the Western water and forestry infrastructure provisions found in the Energy Infrastructure Act recently reported out of the ENR Committee. These provisions align with the over \$13 billion needed to meet existing demand for a suite of Bureau of Reclamation programs that the coalition outlined in a June letter to the Committee.

Media attention on this matter continues to grow. New coverage in media outlets like *POLITICO* and *Agri-Pulse* reported on the Western ag/urban coalition’s efforts, and Western water and ag interests have been steadily peppering the op/ed pages of Western newspapers with guest columns. Alliance President Pat O’Toole (WYOMING) and NWRA President Christine Arbogast (COLORADO) advocated for these provisions in a guest opinion that ran in the *Colorado Sun*.

5. Resilient Federal Forest Act (H.R. 4641)

As the drought worsens across the West, wildfire is threatening the entire ecosystem which includes the forests that provide the watersheds forming the basis of supplying water to rural communities and farms. With smoke from Western wildfires clouding the skies in Washington, D.C., Congress teed up a slew of forest policy bills last month. One of those was the *Resilient Federal Forests Act* (H.R. 4641), re-introduced from the past Congress by House Natural Resources Committee Ranking Member Bruce Westerman (R-Ark.). This bill – supported by 85 organizations, including the Family Farm Alliance – would address the environmental and economic threats of catastrophic wildfires. The bill enjoys the support of 67 original cosponsors from both parties. The Alliance in July issued an alert, asking its members to support H.R. 4641 and share that support with Members of Congress.

Lawmakers in both chambers introduced multiple proposals to encourage more intensive forest management, including thinning trees on national forests and streamlining environmental reviews that delay many projects. Many of the GOP-sponsored forest management bills will likely face opposition from some environmental organizations and Democrats, but some provisions could be dropped into larger legislative packages.

6. Water and Agriculture Tax Reform (WATER) Act

The Family Farm Alliance last month formally supported the *Water and Agriculture Tax Reform (WATER) Act of 2021*, reintroduced in the Senate by Michael Bennet (D-COLORADO) and Mike Crapo (R-IDAHO). A companion bill was introduced in the House by Reps. Ken Buck (R-COLORADO) and Joe Neguse (D-COLORADO). This important legislation seeks to reform section 501(c)(12) of the Internal Revenue Code to provide mutual irrigation and ditch companies with added flexibility that will promote new economic activity such as rehabilitation or extraordinary maintenance on aging water delivery infrastructure to better meet the challenges of the future, including drought. Across the West, farmers and ranchers in this time of unprecedented drought struggle to make ends meet. This bill will help keep mutual irrigation and ditch companies in business and will help meet the needs of America's Western farmers and ranchers.

7. House Passes E&W Development Appropriations Bill

The House last month approved a seven-bill package of appropriations measures for Fiscal Year 2022, including the Energy and Water (E&W) Development Appropriations bill. The E&W bill is \$1.5 billion above the FY 21 level and includes just over \$1.9 billion for the Bureau of Reclamation, just under a 14 percent increase over Reclamation's FY 2021 appropriation. The bill includes \$67 million for the WIIN Act authorized water storage account, the same level approved by the House for FY 21, but half the amount ultimately approved in the final FY 21 E&W bill.

Storage was a hot topic of discussion when the appropriations package was debated earlier before the House Appropriations Committee, where Democrats denied multiple storage-related

amendments offered by Republicans, including one that would extend funds for the WIIN Act. The committee similarly rebuffed amendments from other Republicans from Western states who complained their proposals weren't included in the underlying appropriations legislation. The measure that was ultimately passed by the House would increase Reclamation's WaterSMART program to \$75 million, \$20 million more than was approved for FY 21. The bill also includes just over \$63 million for the Title XVI program, including \$10 million for water reuse projects eligible for funding under the Water Infrastructure Improvements for the Nation Act of 2016 (WIIN Act) authority. We expect the final E&W bill for FY 22 to include additional resources for Title XVI projects, above the House-passed funding level.

The Senate Energy and Water Development Subcommittee is expected to mark up their version of the FY 2022 E&W bill sometime prior to the Senate's August break. Separately, the Department of the Interior has submitted its official request to the Hill for Title XVI projects authorized under the WIIN Act. The department seeks \$205 million for water storage project construction, \$30 million for water reuse projects, and \$12 million for desalination project construction. We were pleased to see Interior's request for water storage. Four important projects – Sites Reservoir, Del Puerto Canyon Reservoir, and the reservoir expansions at Los Vaqueros and B.F. Fisk - will better allow California water users to deal with future droughts.

8. Ocean-Based Climate Solutions Act (H.R. 3764)

The House Committee on Natural Resources last month held a markup, reporting a total of 14 bills out of committee. Twelve of these bills were bipartisan and passed by unanimous consent. However, committee Democrats also advanced legislation opposed by the Family Farm Alliance, the *Ocean-Based Climate Solutions Act* (H.R. 3764). Republican committee members offered 32 amendments to remedy some of the issues in H.R. 3764 and H.R. 2780, the *Insular Area Climate Change Act*. Committee Democrats rejected almost all of them, according to a press release issued by Committee GOP members.

An Alliance representative in June appeared before the same committee for a virtual, fully remote legislative hearing that focused on several of these bills. Mauricio Guardado, the general manager of United Water Conservation District represented his district and the Alliance at the hearing, where he focused his comments on concerns with H.R. 3764, sponsored by Rep. Raúl Grijalva (D-AZ). In advance of the July markup of H.R. 3764, the Alliance and several of its members wrote opposition letters expressing serious concerns with the bill and the impacts it could have on Western farmers, ranchers and water managers.

JUDICIARY DEVELOPMENTS

9. Judge Requires CWA Permit Under Supreme Court Groundwater Ruling

A federal judge is requiring a Hawaii county's treatment plant to obtain a Clean Water Act (CWA) permit to govern discharge of treated wastewater into its injection wells that then makes its way to

the Pacific Ocean. This is the first-time application of the Supreme Court's landmark test on when pollutants that travel through groundwater require a National Pollution Discharge Elimination System (NPDES) permit. The District Court's decision is an interesting - if not surprising - read. It contains a seemingly straight-forward analysis under the seven factors set forth by the U.S. Supreme Court. Four factors - including the most important, time and distance - weighed heavily in favor of a permit. Two factors - change in chemical composition and dilution- weighed against a permit. One factor was found not to favor either. The District Court also added another factor - the volume of wastewater reaching the ocean - which weighed in favor of a permit. Adding all of the factors up, the District Court easily found that an NPDES permit is required.

The decision, which comes after the suit was remanded back to the district court following the Supreme Court's April 2020 ruling in *Hawai'i Wildlife Fund, et al., v. County of Maui*, is winning praise from environmentalists, who are signaling they plan to use the precedent in a series of other pending cases over such releases from pipelines, animal feeding operations and coal ash disposal facilities. There is a takeaway message for Western irrigators. Absent additional guidance from EPA or Congress, it will be difficult to defeat a 'functional equivalent' argument under the Supreme Court's factors. This makes it even more important to protect and, where possible, strengthen existing point source/permit exemptions, such as those for irrigation return flows, storm water and water transfers.

WESTERN WATER “HOT SPOTS”

10. The 2021 Western Drought

Historic drought conditions continue to rapidly worsen and expand with over 80% of the West now in drought, according to the U.S. Drought Monitor. Widespread impacts are being felt, particularly by Western farmers and ranchers. The Alliance last month was asked by the Biden Administration to provide an overview of the drought impacts facing producers in the Western U.S. My presentation focused on impacts to Western agricultural producers, their communities, and the environment. These impacts are driven by a combination of extreme hydrology and, in many cases, regulatory inflexibility.

a. Western Drought Webinar

The Western drought webinar, hosted by the National Oceanic and Atmospheric Administration (NOAA), was organized to provide the latest information on drought conditions across the Southwest, California, Pacific Northwest, and the Missouri River Basin, as well as the serious impacts on diverse sectors of the economy. NOAA's National Integrated Drought Information System (NIDIS) program joined with federal, state, tribal, and local partners to host the seminar, specifically intended for Western communities. Stakeholders, decision makers, and drought experts on the webinar discussed the latest on drought conditions and response efforts. Presenters from multiple sectors and communities spoke about the drought related impacts their communities are experiencing. Joining Mr. Keppen on the “Western Perspectives” panel were Jeff Schafer

(President, North Dakota Stockmen's Association), Laura Fox (EPHT Senior Epidemiologist, State of Arizona), Nicole Vaillant (U.S. Forest Service) and Bidth Becker (Navajo Nation).

The webinar featured remarks from USDA and Interior Department officials, and an update from NOAA Administrator Richard Spinrad, who said the lingering drought costs the U.S. \$63 billion annually, in addition to multibillion-dollar losses from wildfires. Representatives from President Biden's Interagency Drought Relief Working Group discussed the work being done across the federal government to address the drought conditions, financial and technical assistance, and other resources available to bring relief and build more drought-resilient communities. The webinar included a summary of past and current conditions, looking at a variety of drought indicators such as snowpack, temperatures, precipitation, and soil moisture. Outlook information for drought, heat, and wildfire was also provided.

b. Impacts to Western Farm and Ranch Communities

Western producers are increasingly selling livestock and letting fields go fallow due to severe drought in the western U.S. According to an American Farm Bureau survey, 85 percent of ranchers reported selling off portions of livestock herds due to drought impacts on water supplies and grazing lands. Some 77 percent of growers were destroying crops due to water shortages.

When surface water supplies diminish or disappear, farmers turn to groundwater, if they have access to it. In some areas, canal water is a prime source of recharge for shallow domestic wells. That's not happening this year - here in the Klamath Basin, and elsewhere - because the canals are bone dry. The Oregon Office of Emergency Management and local agencies are scrambling to get water storage tanks to those properties so they could have running water again. Thousands of wells in the Central Valley, the Klamath Basin, and elsewhere are at risk of drying up this summer. Many households are relying on bottled water to drink. Rural residents who don't even farm are having to stay with family and friends to shower and wash clothes.

c. Lessons Learned

I wrapped up my presentation by noting that the current drought crisis underscores some key concerns. First, it demonstrates that water infrastructure is needed to protect future water supply reliability. The drought also shows that water management in the West – particularly in those areas served by federal water projects – is becoming too inflexible, often driven by courtroom decisions. Finally, many of the presenters noted that fierce Western wildfire disasters are becoming an annual occurrence. More fires have already burned at this point of the year than in any other year in the past decade. Wildfires also pose a threat to watershed health and the safety of source drinking water in the West.

Perhaps the only silver lining is that this crisis will hopefully draw more public and political attention to our unique Western challenges. This could lead to needed reasonable policies that support farmers and investment in rural communities, including water infrastructure. In the short-

term, he recommended a fast-track response capability from the USDA and Interior Department that enables a localized response by farmers and ranchers. This unprecedented West-wide drought requires a level of reaction that is immediate and sustainable. My recent comments at the drought forum were noted in a July 25 story published by *Fox News*.

d. Congress Calls on USDA for More Drought Relief

The drought is getting political attention in D.C. Forty-five bipartisan lawmakers last month sent a letter urging USDA to come up with new ways to provide relief for Western farmers. The letter summarized impacts to producers and crop yields, and urged disaster declarations be expanded to cover those producers who suffered the greatest heat-related losses, but were either located in counties not covered by the drought designations, or who experienced losses not covered by assistance programs. USDA is authorizing emergency procedures to help agricultural producers impacted by extreme drought conditions. USDA's Risk Management Agency is working with crop insurance companies to streamline and accelerate the adjustment of losses and issuance of indemnity payments to crop insurance policyholders in impacted areas. These new crop insurance flexibilities are part of USDA's broader response to help producers impacted by drought, in the West, Northern Great Plains, and other areas.

e. GOP Westerners Question Interior Drought Response

Over at the Department of Interior, Secretary Deb Haaland last month defended the Biden administration's response to the drought, while acknowledging that federal and state water managers must do more. Secretary Haaland also highlighted the bipartisan infrastructure framework currently under consideration in Congress and President Biden's jobs proposal as offering key measures.

Some Western Republicans in the House of Representatives believe the Administration needs to do more. In April, President Biden established an Interagency Working Group to address the drought crisis, but Republicans claim the administration has yet to provide any plans or details. House Natural Resources Ranking Member Bruce Westerman (AR-04) recently hosted a Special Order alongside 10 Western Caucus Members to call on the Biden Administration and Democrats in Congress to address the severe drought crisis plaguing communities throughout the West. Western Caucus Members spoke about the impacts this historic drought is placing on the constituents and communities they represent. Earlier in the month, Members of the GOP Western Caucus and Natural Resources Committee sent a letter to the Biden Administration urging for a clear plan to address the drought crisis and deliver relief to impacted communities.

f. The Outlook

There has been some good news to report in some regions of the West, as a strong monsoon is bringing heavy rain to the Southwest. This has provided short-term drought relief and should cut down wildfire risk in several Western states. The latest U.S. Drought Monitor shows improvement

in parts of five Southwestern states. Additional heavy rainfall hit parts of southern Colorado and Utah in late July and was forecast to spread farther north. While the precipitation is welcome, some experts believe it is not enough to relieve the long-term drought conditions. The punishing drought conditions afflicting much of the West are expected to endure for months, climate experts with NOAA recently reported. Forecasters are assessing the odds of a La Nina emerging, where currently conditions are neutral in the tropical Pacific and favored to last through the American summer and into the fall. La Nina episodes in the winter months feature a wave-like jet stream flow across the United States and Canada, which causes colder and stormier than average conditions across the North, and warmer and less stormier conditions across the south. There is a 60% chance, NOAA experts said, of a La Niña event this winter.

ADMINISTRATIVE AND MISCELLANEOUS

- Critics of the American food system have long argued that our extremely efficient and affordable food supply doesn't account for all the hidden costs to public health, the environment and vulnerable low-wage workers. Now they have a new estimate for just how expensive the system may be: \$3.2 trillion. That calculation, [released last month by the Rockefeller Foundation](#), is about triple the size of the \$1.1 trillion food system. The alleged "true cost" accounts for a long list of hidden costs, like diet-related diseases, lost biodiversity and contributions to climate change. You can expect that critics of production agriculture will use this information to influence all sorts of agricultural and environmental policies in the near future.
- Our old friend, former Wyoming U.S. Senator Mike Enzi passed away last week. He was 77. The former senator had recently sustained serious injuries while riding a bicycle, his family said in a statement last Monday. Family Farm Alliance President Pat O'Toole sat next to Mr. Enzi for six years when the two of them served in the Wyoming Legislature. Two of Pat's kids also worked for interns as Senator Enzi in D.C. He was a true gentleman, a "quiet and unfailingly kind workhorse", and will be missed.
- Last month, I spoke at the Western meeting of American Farm Bureau executives in Santa Fe (NEW MEXICO), where I discussed the Alliance's initiatives and the current drought.

This is a quick summary of just a few of the issues the Alliance has been engaged in. Please do not hesitate to contact me at dan@familyfarmalliance.org if you would like further information about what the Alliance is doing to protect water for Western irrigated agriculture.