



**San Luis & Delta-Mendota Water Authority
Monday, December 9, 2024 10:00 a.m.**

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

**SLDMWA Boardroom
842 6th Street, Los Banos
(List of Member/Alternate Telephonic Locations Attached)**

Public Participation Information

Join Zoom Meeting

<https://us02web.zoom.us/j/85810903426?pwd=cWpXVjV5d1A4aUc4UVVQNmkxUkqwUT09>

Meeting ID: 858 1090 3426

Passcode: 497475

One tap mobile

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NOTE: 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 meeting of the Water Resources Committee ("WRC") and a joint regular 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.

NOTE FURTHER: Meeting materials have been made available to the public on the San Luis & Delta-Mendota Water Authority's website, <https://www.sldmwa.org>, and at the Los Banos Administrative Office, 842 6th Street, Los Banos, CA 93635.

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 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. **Approval of November 4, 2024 Meeting Minutes**
5. **Recommendation to Board of Directors to Adopt Fiscal Year 2026 Objectives**, Petersen
6. **Recommendation to Board of Directors to Adopt Revised Communications Plan**, Petersen
7. **Recommendation to Board of Directors to Approve Fiscal Year 2026 Activity Budget**, Barajas

REPORT ITEMS

8. Report on Headwaters Management Activities, Petersen/Reckler
9. Executive Director's Report, Barajas
(May include reports on activities within the Water Resources Committee's jurisdiction related to 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities)
10. Update on Water Policy/Resources Activities, Petersen
(May include reports on federal, state, and local agency regulatory, legislative, and administrative water policy/resources activities)
11. Update on Water Operations and Forecasts, Boardman
12. Committee Member Reports
13. Closed Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 2 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. Pacific Coast Federation of Fishermen's Associations, et al. v. Stock, et al., U.S. District Court, E.D. Cal., Case No. 2:11-cv-02980; 9th Cir. Case No. 23-15599 (PCFFA v. Glaser or GBP Citizen Suit)
- B. City of Fresno, et al. v. United States, U.S. Court of Appeals for the Federal Cir., Case No. 22-1994; U.S. Court of Federal Claims, Case No. 1:16-cv-01276 (2014 Friant Div. Operations)
- C. 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 (ROC on LTO BiOps)
- D. California Natural Resources Agency, et al. v. Raimondo, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00426 (ROC on LTO BiOps)
- E. CDWR Water Operation Cases, Sac. Co. Superior Court, Case No. JCCP 5117 (formerly Tehama-Colusa Canal Authority, et al. v. California Department of Water Resources, et al., Fresno Co. Superior Court, Case No. 20CECG01303) (SWP 2020 EIR Challenge)
- F. AquAlliance, et al. v. U.S. Bureau of Reclamation, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00878; 9th Cir. Case No. 24-7232 (Long-Term Water Transfers EIS/EIR)
- G. AquAlliance et al. v. San Luis & Delta-Mendota Water Authority, Merced Co. Superior Court, Case No. 21CV-03487 (Long-Term Water Transfers EIS/EIR Addendum)
- H. California Sportfishing Protection Alliance, et al. v. State Water Resources Control Board, et al., Sac. Co. Superior Court, Case No. 34-2021-80003761 (2021 TUCP Order)
- I. California Sportfishing Protection Alliance, et al. v. State Water Resources Control Board, et al., Sac. Co. Superior Court, Case No. 34-2021-80003763 (2021 Temp. Mgmt. Plan)
- J. Walsh v. Martin, et al., E.D. Cal., Case No. 1:23-CV-01774 (employment action)

- K. Tehama-Colusa Canal Authority, et al. v. California Department of Water Resources, et al.,
Sacramento Co. Superior Court, Case No. 24WM000183 (SWP 2024 EIR Challenge)

14. Return to Open Session
15. Report from Closed Session, if any, Required by Government Code Section 54957.1
16. Reports Pursuant to Government Code Section 54954.2(a)(3)
17. 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, 842 6th Street, P.O. Box 2157, Los Banos, California, via telephone at (209) 826-9696, or via email at cheri.worthy@sldmwa.org. Requests should be made as far in advance as possible before the meeting date, preferably 3 days in advance of regular meetings or 1 day in advance of special meetings/workshops.

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/>.

SLDMWA WATER RESOURCES COMMITTEE REGULAR MEETING
TELEPHONIC LOCATIONS
DECEMBER 9, 2024

5700 Almaden Expressway
San Jose, CA. 95118

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
WATER RESOURCES COMMITTEE REGULAR MEETING AND JOINT
WATER RESOURCES COMMITTEE REGULAR MEETING - SPECIAL
BOARD WORKSHOP MINUTES**

NOVEMBER 4, 2024

The San Luis & Delta-Mendota Water Authority Water Resources Committee Regular Meeting and Joint Water Resources Committee Regular Meeting and Special Board Workshop convened at approximately 10:00 a.m. at 842 6th Street in Los Banos, California, with Chair William Bourdeau presiding.

Water Resources Committee Members Present

Ex-Officio

Cannon Michael
William Bourdeau

Division 1

Anthea Hansen, Alternate (arrived during item 5)

Division 2

Bill Diedrich, Member

Division 3

Absent

Division 4

Dana Jacobson, Alternate

Division 5

Manny Amorelli, Alternate

Board of Directors Present

Division 1

Anthea Hansen, Director (arrived item 5)

Division 2

Justin Diener, Alternate
William Bourdeau, Director
Bill Diedrich, Director

Division 3

Jarrett Martin, Director
Cannon Michael, Director

Division 4

Dana Jacobson, Director
Brett Miller, Alternate

Division 5

Manny Amorelli, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Scott Petersen, Water Policy Director
Ray Tarka, Director of Finance
Eddie Reyes, Information Systems Technician

Others Present

Steve Stadler, San Luis Water District
Tom Boardman, Westlands Water District (via ZOOM)
Mike Gardner, Columbia Canal Company (via ZOOM)
Lea Emmons, City of Tracy (via ZOOM)
Sally Rudd, Compass (via ZOOM)

1. Call to Order/Roll Call

Committee Chair William Bourdeau called the meeting to order and roll was called.

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

General Counsel Rebecca Akroyd noted that item 6 would be heard after 10:45 a.m.; no other additions or corrections.

3. Opportunity for Public Comment

No public comment.

4. Agenda Item 5: Recommendation to the Board of Directors to Adopt Staff Recommendation for Positions on Legislation

- a. S. 4359 (Padilla), To amend the National Dam Safety Program Act to reauthorize that Act, and for other purposes.

Water Policy Director Scott Petersen reviewed the staff recommendations for positions on legislation and answered questions from Committee members.

On a motion of Member Bill Diedrich, seconded by Chair/Member William Bourdeau, the Committee adopted the staff recommendation for a support position on S. 4359 (Padilla). The vote on the motion was as follows:

AYES:	Michael, Bourdeau, Hansen, Diedrich, Jacobson, Amorelli
NAYS:	None

ABSTENTIONS: None

5. **Agenda Item 4: Water Resources Committee to Consider Approval of the October 7, 2024 Meeting Minutes.**

Chair William Bourdeau deemed the October 7, 2024 meeting minutes approved as submitted.

6. **Agenda Item 7: Executive Director's Report.**

- a. **South of Delta Drought Plan** – Executive Director Federico Barajas reported on ongoing conversations with Reclamation, Friant Water Authority, and DWR regarding the San Joaquin River Restoration Program (SJRRP) Delta Recapture Plan. Barajas reported that Authority staff provided comments to Reclamation. Barajas also reported on the transition from the 2024 Pilot Project to the 2025 water year. Barajas answered questions from Committee and Board members.
- b. **2025 Meeting Calendar** – Executive Director Federico Barajas reported that the 2025 Authority calendar will going to the Board this Thursday.
- c. **B.F. Sisk Negotiation Event** – Executive Director Federico Barajas reported that an event is planned for next Wednesday in D.C.
- d. **Budget Development** - Executive Director Federico Barajas reported that the O&M Technical Committee met and approved the OM&R Budget, and it will be brought to the Finance & Administration Committee this afternoon. Barajas reported that Activity Agreements Budget should be presented next month. Barajas reported that a Budget Workshop is scheduled December 18.
- e. **O'Neill Operations** – Chief Operating Officer Pablo Arroyave reported that there were five scheduled outages the month of October, and the Building UZ8A-related outage is still ongoing.

7. **Agenda Item 8: Update on Water Policy/Resources Activities.**

Water Policy Director Scott Petersen provided a brief summary of the report included in the packet. Petersen provided updates regarding the Reinitiation of Consultation on Long-Term Operations of the Central Valley Project (CVP) and SWP, Water Quality Control Plan, Trinity consultation, SJRRP, Delta Conveyance, Reclamation Manuel, as well as updates on the Water Blueprint for the San Joaquin Valley, San Joaquin Valley Collaborative Action Program, and legislation. Petersen answered Committee questions throughout the presentation.

8. Agenda Item 6: Report on Delta Smelt Strategic Decision-Making Study and CSAMP Report.

Water Policy Director Scott Petersen briefly reviewed the item, and then introduced Sally Rudd from Compass. Rudd reviewed a PowerPoint presentation regarding the results of the Delta Smelt Strategic Decision-Making Study. Petersen and Rudd answered questions from Committee and Board members throughout the presentation, including questions on climate change.

9. Update on Water Operations and Forecasts.

Westlands Water District's Tom Boardman reported on Shasta storage and recent precipitation that was received in the watershed. Reclamation's latest refill projections during 2025 were also included. Folsom storage conditions were explained along with refill projections and a brief explanation of how Folsom releases help conserve Shasta storage during summer operations.

Export rates for Banks and Jones Pumping Plants were stated, including the factors that are limiting pumping. Near-term pumping conditions were described, which included a mention of the priority to take advantage of the relatively low fish migration period during the next 45-60 days.

Boardman reported on current storage in the CVP share of the San Luis reservoir and noted that CVP share of storage may have begun refilling. Boardman also provided an estimate of refill possibilities under dry and median conditions.

10. Committee Member Reports.

No reports.

11. Closed Session

Chair William Bourdeau adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:36 a.m. Upon return to open session at approximately 11:58 a.m., Chair William Bourdeau reported that no reportable actions were taken in closed session.

12. Agenda Item 14: Reports Pursuant to Government Code Section 54954.2

No reports.

13. Agenda Item 15: Adjournment

The meeting was adjourned at approximately 11:59 a.m.



MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: December 9, 2024

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 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 and San Joaquin Valley Water Collaborative Action Plan.

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.

On September 30, 2021, Reclamation Regional Director Ernest Conant sent a letter to U.S. FWS Regional Director Paul Souza and NMFS Regional Administrator Barry Thom requesting reinitiation of consultation on the Long-Term Operation of the CVP and SWP. Pursuant to 50 CFR § 402.16, Reclamation indicated that reinitiation is warranted based on anticipated modifications to the Proposed Action that may cause effects to listed species or designated critical habitats not analyzed in the U.S. Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS) Biological Opinions, dated October 21, 2019. To address the review of agency actions required by Executive Order 13990 and to voluntarily reconcile CVP operating criteria with operational requirements of the SWP under the California Endangered Species Act, Reclamation and DWR indicated that they anticipate a modified Proposed Action and associated biological effects analysis that would result in new Biological Opinions for the CVP and SWP.

Following this action, on October 20, 2021, the SLDMWA sent a letter to Reclamation Regional Director Ernest Conant requesting participation in the reinitiation of consultation pursuant to Section 4004 of the WIIN Act and in the NEPA process as either a Cooperating Agency or Participating Agency.

On February 26, 2022, the Department of the Interior released a Notice of Intent to Prepare an Environmental Impact Statement (EIS) and Hold Public Scoping Meetings on the 2021 Endangered Species Act Reinitiation of Section 7 Consultation on the Long-Term Operation of the Central Valley Project and State Water Project². In response to this, on March 30, 2022, the SLDMWA submitted a comment letter highlighting actions for Reclamation to consider during preparation of the EIS.

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

² <https://www.govinfo.gov/content/pkg/FR-2022-02-28/pdf/2022-04160.pdf>

During May 2022, Reclamation issued draft copies of the Knowledge Base Papers for the following management topics and requested supplementary material review and comments, to which the Authority submitted comment letters in June:

1. Spring-run Juvenile Production Estimate- Spring-run Survival Knowledge Base Document, May 2022
2. Steelhead Juvenile Production Estimate-Steelhead Survival Knowledge Base Document, April 2022
3. Old and Middle River Reverse Flow Management – Smelt, Chinook Salmon, and Steelhead Migration and Survival Knowledge Base Document, May 2022
4. Central Valley Tributary Habitat Restoration Effects on Salmonid Growth and Survival Knowledge Based Paper, March 2022
5. Delta Spring Outflow Management Smelt Growth and Survival Knowledge Base Document, May 2022
6. Pulse Flow Effects on Salmonid Survival Knowledge Base Document, May 2022
7. Summer and Fall Habitat Management Actions – Smelt Growth and Survival Knowledge Base Document, May 2022
8. Shasta Cold Water Pool Management – End of September Storage Knowledge Base Document, May 2022

Subsequent to the Knowledge Base Paper review, a Scoping Meeting was held, to which Water Authority staff provided comments, resulting in the release of a Scoping Report³ by Reclamation in June 2022.

On October 14, 2022, Reclamation released an Initial Alternatives Report (IAR).

On May 16, 2023, Reclamation provided an administrative draft copy of the Proposed Action, titled “State and Federal Cooperating Agency Draft LTO Alternative” to agencies that have executed an MOU with Reclamation on engagement. Authority staff is reviewing the document and provided feedback to Reclamation, in coordination with member agencies and other CVP contractors.

On June 30, 2023, Reclamation released a draft Qualitative Biological Assessment for review by agencies that have executed an MOU with Reclamation on engagement, though Reclamation is not accepting formal comments. Note that this release does not initiate formal ESA consultation and is being provided to assist the fishery agencies in setting up their documents and resources for the formal consultation, which we expect to begin in late September/early October.

On July 21, 2023, Reclamation released an Administrative Draft Terrestrial Biological Assessment for review by agencies that have an MOU with Reclamation on engagement, though Reclamation is not accepting formal comments. Note that this release does not initiate formal ESA consultation and is being provided to assist the fishery agencies in setting up their documents and resources for the formal consultation, which we expect to begin in late September/early October.

On September 15, Reclamation released a Draft Environmental Impact Statement for 30-day NEPA Cooperating Agency review. The SLDMWA coordinated review of the document with member agencies

³ <https://www.usbr.gov/mp/bdo/docs/lto-scoping-report-2022.pdf>

and technical consultants and submitted both high-level and technical comments on the document⁴ on October 16.

On October 10, 2023, Reclamation transmitted an Aquatic species Quantitative Biological Assessment, and on October 18, 2023, Reclamation transmitted a Terrestrial Species Quantitative Biological Assessment to the Services and to consulting agencies pursuant to the WIIN Act.

On June 28, 2024, the U.S. Fish and Wildlife Service released their Draft Biological Opinion for WIIN Act agency review and comment, with comments due on July 29, after a two-week extension was granted by the Service. Authority staff coordinated with member agencies to provide comments on the document⁵.

Additionally, on July 18, NOAA Fisheries released an incomplete draft Biological Opinion for WIIN Act agency review and comment, and subsequently released the Effects Analysis sections of the BiOp on July 25, 2024. Comments on the draft Biological Opinion were due on August 12, 2024, and Authority staff coordinated with member agencies to provide comments⁶. Additionally, members of the California Congressional delegation requested⁷ an extension of the public comment period and NOAA Fisheries provided a response to the Congressional request⁸.

Next, on July 26, 2024, Reclamation released the Draft EIS on the LTO for a 45-day public review and comment period. The comment period closed on September 9 and the Water Authority coordinated comments in response with member agencies⁹.

The Fish and Wildlife Service and NOAA Fisheries released their draft Incidental Take Statements for review by WIIN Act coordinating entities on September 26th. The Water Authority and some members provided comments¹⁰ on the draft FWS ITS on September 30 and submitted comments¹¹ on the draft NOAA Fisheries ITS on October 4th.

Finally, Reclamation and the US FWS released the Final Environmental Impact Statement and Final FWS Biological Opinion last month, beginning the process for execution of the Record of Decision for the LTO. We anticipate the ROD to be executed this month, triggering new operations of the CVP for the coming water year.

⁴ Request from Authority staff.

⁵ Request from Authority staff.

⁶ Request from Authority staff.

⁷ Request from Authority staff.

⁸ Request from Authority staff.

⁹ Request from Authority staff.

¹⁰ Request from Authority staff.

¹¹ Request from Authority staff.

Current Milestones

- Dec 13: Anticipated Final LTO NMFS BiOp
- Dec 20: Anticipated Final LTO Record of Decision
- Early 2025: Trinity Cooperating Agency Draft EIS/Draft Biological Assessment
- Spring 2025: Trinity Public Draft EIS
- Late 2025: Trinity Biological Opinion, Final NEPA and ROD

Note: There are also Endangered Species Act consultations on the Trinity River and Klamath River that may have overlap/interactions with the consultation for the CVP/SWP.

State Water Resources Control Board (State Water Board) Activity

Bay Delta Water Quality Control Plan Update

Background

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.¹² The State Water Board did not adopt the proposed VSAs in lieu of the proposed Phase 1 amendments, but as explained below, directed staff to consider the proposals as part of a future Delta-wide proposal.

Phase 1 Status – San Joaquin River and its Tributaries

The State Water Board adopted a resolution¹³ 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.

Most recently, on July 18, 2022, the State Water Resources Control Board issued a Notice of Preparation (NOP)¹⁴ and California Environmental Quality Act (CEQA) Scoping Meeting for the Proposed Regulation to

¹² Available at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf>.

¹³ Available at https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2018/rs2018_0059.pdf.

¹⁴ Available at https://www.waterboards.ca.gov/public_notices/notices/20220715-implementation-nop-and-scoping-dwr-baydelta.pdf

Implement Lower San Joaquin River Flows (LSJR) and Southern Delta Salinity Objectives in the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta (Bay-Delta Plan).

The purpose of the NOP is: (1) to advise responsible and trustee agencies, Tribes, and interested organizations and persons, that the State Water Board or Board will be the lead agency and will prepare a draft EIR for a proposed regulation implementing the LSJR flow and southern Delta salinity components of the 2018 Bay-Delta Plan, and (2) to seek input on significant environmental issues, reasonable alternatives, and mitigation measures that should be addressed in the EIR. For responsible and trustee agencies, the State Water Board requests the views of your agency as to the scope and content of the environmental information related to your agency's area of statutory responsibility that must be included in the draft EIR.

In response to the release of the NOP, the Water Authority and member agencies provided scoping comments¹⁵.

Phase 2 Status – Sacramento River and its Tributaries and Bay-Delta

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.

On March 1, 2019, the California Department of Water Resources and the Department of Fish and Wildlife submitted documents¹⁶ 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.

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.

¹⁵ Request from Authority staff

¹⁶ Available at http://resources.ca.gov/docs/voluntary-agreements/2019/Complete_March_1_VA_Submission_to_SWRCB.pdf

Phase 2 Draft Staff Report

On September 28, the State Water Resources Control Board released a draft Staff Report in support of possible updates to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) that are focused on the Sacramento River watershed, Delta, and Delta eastside tributaries (Sacramento/Delta).

The draft Staff Report includes scientific information and environmental and economic evaluations to support possible Sacramento/Delta updates to the Bay-Delta Plan. The report assesses a range of alternatives for updating the Sacramento/Delta portions of the Bay-Delta Plan, including: an alternative based on a 2018 Framework document identifying a 55% of unimpaired flow level (within an adaptive range from 45-65%) from Sacramento/Delta tributaries and associated Delta outflows; and a proposed voluntary agreements alternative that includes voluntary water contributions and physical habitat restoration on major tributaries to the Delta and in the Delta. In addition, based on input from California Native American tribes, the draft Staff Report identifies the proposed addition of tribal and subsistence fishing beneficial uses to the Bay-Delta Plan.

The draft Staff Report is available for review on the [Board's website](#). The Authority coordinated and submitted comments with member agencies¹⁷.

Program of Implementation

On Oct. 25, the State Water Resources Control Board released a [draft of potential updates](#) for the Sacramento/Delta portions of the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed (Bay-Delta Plan). The draft changes include options for incorporating a regulatory pathway, which features tributary inflow and cold water habitat provisions and inflow-based Delta outflows, or a pathway based on the [Healthy Rivers and Landscapes Program](#), formerly referred to as the Voluntary Agreements. Additionally, the draft updates include options for two modular alternatives (Alternatives 5a and 6a) that were described in the State Water Board's 2023 [draft staff report](#).

The State Water Board has not yet selected a pathway for updating the Sacramento/Delta portions of the Bay-Delta Plan. State Water Board staff will develop a revised draft of proposed updates based on comments on this draft.

The State Water Board will hold a multiday workshop, with dates scheduled in November, December, and January, to discuss the draft changes. Written comments on the draft updates are due to the State Water Board by Dec. 19. The [notice](#) includes additional information about the workshop and instructions for submitting comments to the State Water Board.

Schedule

LSJR Flow/SD Salinity Implementation Next Steps Assuming Regulation Path (Phase 1)

- Winter 2024/Spring 2025
 - Final draft Staff Report for Tuolumne River VA

¹⁷ Request from Authority staff.

- Board workshop and consideration of Tuolumne River VA
- Final draft EIR and regulation implementing Lower SJR flows and South Delta Salinity
- Board consideration of regulation implementing Lower SJR flows and South Delta Salinity

Sac/Delta Update: Key Milestones

- Spring 2025: Response to comments and development of proposed final changes to the Bay-Delta Plan
- Summer 2025: Board consideration of adoption

Healthy Rivers and Landscapes Program

On March 29, 2022, members of the Newsom Administration joined federal and local water leaders in announcing the signing of a memorandum of understanding¹⁸ that advances integrated efforts to improve ecosystem and fisheries health within the Sacramento-San Joaquin Bay-Delta. State and federal agencies also announced an agreement¹⁹ specifically with the Sacramento River Settlement Contractors on an approach for 2022 water operations on the Sacramento River.

The HRL parties continue to meet to advance various components of the HRL Program for State Board consideration as it considers the updates to the Bay-Delta Water Quality Control Plan.

San Joaquin River Restoration Program

Draft Channel Capacity Report for the 2025 Restoration Year

The San Joaquin River Restoration Program, through its partnering agency, the California Department of Water Resources, has released the Draft Channel Capacity Report for the 2025 Restoration Year.

The primary objective of this report is to provide the Channel Capacity Advisory Group (CCAG) and the public a summary of the prior Restoration Year's data, methods, and estimated channel capacities, as well as, recommendations for monitoring and management actions for the following year. The report can be viewed at the following link: https://www.restoresjr.net/?wpfb_dl=3027

Public comments on this report are due no later than December 17, 2024 and should be submitted to Omar O. Erekat at Omar.Erekat@water.ca.gov or Regina Story at rstory@usbr.gov.

Delta Conveyance Project

Petition for Change of Point of Diversion and Rediversion for the Delta Conveyance Project

On February 22, 2024, the State Water Resources Control Board (Board) received a Petition for Change from the Department of Water Resources (DWR) to add two new points of diversion (POD) and rediversion (PORD) to the water right permits associated with the State Water Project. Specifically, the petition seeks to change Water Right Permits 16478, 16479, 16481, and 16482 (Applications 5630, 14443, 14445A, and 17512, respectively). The proposed new PODs/PORDs would consist of screened intakes 2.3 miles apart

¹⁸ Available at <https://resources.ca.gov/-/media/CNRA-Website/Files/NewsRoom/Voluntary-Agreement-Package-March-29-2022.pdf>

¹⁹ Available at <https://calepa.ca.gov/2022/03/29/informational-statement-state-federal-agencies-and-sacramento-river-settlement-contractors-agree-on-approach-for-2022-water-operations-on-the-sacramento-river/>

located on the lower Sacramento River between Freeport and Sutter Slough. The proposed new intakes are part of the Delta Conveyance Project, which would allow DWR to divert water from the northern Sacramento-San Joaquin Delta Estuary (Delta) and convey the water through a tunnel to existing water distribution facilities in the southern Delta.

This petition is available on the DWR website at: https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/Public-Information/Revised_DCP_CPOD_Petition_Package_2024.pdf

Protests against the change petition must have been filed by May 13, 2024, with a copy provided to the petitioner. SLDMWA entered into a Settlement Agreement²⁰ with DWR on the project.

The State Water Resources Control Board (State Water Board or Board) Administrative Hearings Office will hold a public hearing about the Delta Conveyance Project beginning on **January 16, 2025**. The hearing will address the water right change petitions filed by the Department of Water Resources to add two new points of diversion and redirection to the water rights associated with the State Water Project, Permits 16478, 16479, 16481, and 16482 (Applications 5630, 14443, 14445A, and 17512, respectively).

The purpose of the hearing is to gather evidence to determine whether to approve these petitions and, if so, what specific terms and conditions, if any, should be included in the amended permits for the State Water Project. The Administrative Hearings Office held a pre-hearing conference on **August 13, 2024**, after which the AHO's Presiding Officer Nicole Kuenzi vacated the September 5 deadline to submit written comments on hearing issues and the November 4 deadline for all parties to file initial notices of intent to appear at the hearings.

HEARING SCHEDULE AND DEADLINES

Deadlines / Schedule	Date and Time
Deadline to file optional pre-hearing conference statements.	August 9, 2024
Initial Pre-Hearing Conference.	August 13, 2024, at 9:00 a.m.
Deadline to submit written comments on hearing issues.	September 5, 2024
Second Pre-Hearing Conference.	October 17, 2024, at 9:00 a.m.
Deadline for all parties to file initial NOIs, including witness lists, and deadline for any interested person who intends to give a policy statement to file an NOI.	November 4, 2024
Deadline for parties to file case-in-chief exhibits, exhibit identification indices, and proposed permit terms.	December 4, 2024
Third Pre-Hearing Conference.	December 16, 2024, at 9:00 a.m.
Hearing begins with policy statements.	January 16, 2025, at 9:00 a.m.
Evidentiary portion of hearing begins.	January 30, 2025, at 9:00 a.m.

Community Benefits Program Implementation Plan and Guidelines Public Review

The Department of Water Resources has released a [Discussion Draft Implementation Plan and Guidelines](#) for the Delta Conveyance Project's Community Benefits Program (CBP). The implementation

²⁰ Request from Authority staff.

plan provides more detail about how the CBP could be implemented and is available for review through March 1, 2025.

The Discussion Draft Implementation Plan and Guidelines and an accompanying feedback form can be found online [here](#).

U.S. Bureau of Reclamation

Reclamation Manual

Documents out for Comment

Draft Policy

- There are currently no draft Policies out for review.

Draft Directives and Standards

- [ENV 08-01 Sustainable Construction, Renovation, Operations, and Leasing of Bureau of Reclamation Building Assets](#) (comments due 11/28/24)
- [CMP 09-04 Planning for Major Rehabilitation and Replacement of Existing Assets](#) (comments due 11/30/24)

Draft Facilities Instructions, Standards, and Techniques (FIST)

- There are currently no 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.

San Joaquin Valley Water Blueprint

The Water Blueprint for the San Joaquin Valley (Blueprint) is a non-profit group of stakeholders, working to better understand our shared goals for water solutions that support environmental stewardship with the needs of communities and industries throughout the San Joaquin Valley.

Blueprint's strategic priorities for 2022-2025: Advocacy, Groundwater Quality and Disadvantaged Communities, Land Use Changes & Environmental Planning, Outreach & Communications, SGMA Implementation, Water Supply Goals, Governance, Operations & Finance.

Mission Statement: *"Unifying the San Joaquin Valley's voice to advance an accessible, reliable solution for a balanced water future for all."*

Committees

Executive/Budget/Personnel

Blueprint contribution requests have been circulated and Board members will be following up with participants.

Education and Communications

The Blueprint joined the Southern California Water Coalition, ACWA, and many others, and sent a letter to the Assembly Select Committee on Permitting Reform. The letter emphasized the critical nature of

including water supply development, treatment, and distribution in the conversation of the Select Committee. Permit reform, climate change, and housing are inextricably linked to water; without generational investments in water, California will not be able to maintain its current way of life.

The Blueprint is continuing to seek RFPs from advocacy experts for key elected and appointed education and outreach on the Blueprint's strategic priorities.

Activities

Unified Water Plan for the San Joaquin Valley

The Water Blueprint for the San Joaquin Valley Education Fund and the California Water Institute - Research and Education Division are working together to develop a Unified Water Plan for the San Joaquin Valley. Presentations and outreach are currently focused on Merced County and Madera County after successful presentations in Tulare, Kings and Fresno Counties. This two-year project will culminate in the publication of a report to be submitted to Congress.

CVP and SWP Water Supply Restrictions Strategic Plan²¹

The Hallmark Group developed a strategic plan and an implementation approach for review and approval by the Board. The Hallmark Group Contract for Strategic Advisory Services was approved for work completed from March 1, 2024, through on August 31, 2024. That contract was set at for a monthly retainer for 6 months. Hallmark billed against that retainer through the end of July 31. After the Strategic Plan was approved by the Blueprint Board, Hallmark provided a reduced level of effort while waiting for direction on the Implementation Plan. On a going forward basis Hallmark, starting September 1st, will continue on a time and materials for advisory services as needed through the end of the year.

The Board continues to express the importance of outreach to the public and state and federal officials specifically related to the efficacy of proposed regulations, water supply reductions, environmental and socio-economic impacts in the SJV. The objective is protecting the operational flexibility restored by 2019 biological opinions and 2020 record of decision for coordinated operations of the Central Valley Project and State Water Project, which restored approximately 300,000 acre-feet to the average south-of-Delta delivery capability of the projects, and to expand operational flexibility for the CVP and SWP. The plan is organized into four principal topics: (1) objectives; (2) obstacles to achieving objectives; (3) means of overcoming obstacles; and (4) time frame.

Urban Water Agency Partnerships

Consistent with the Groundwater Storage Investigation MOU that was signed in May, Metropolitan Water District, Stantec and the Blueprint have an agreed-upon final draft scope. Stantec is preparing a budget for approval to address the mutual analysis of groundwater storage and conveyance opportunities in the Central Valley. An investigation management committee is being established that will include directors from MET and the Blueprint to provide oversight and direction on the work. Additionally, Valley Water has expressed an interest in joining and coordinating with the Blueprint on this investigation, a copy of the final scope has been shared for discussion.

²¹ Request from Authority staff

Farmer to Farmer – Great Valley Farm Water Partnership

The delegates have agreed to focus on sediment remediation (dredging), given the current political dynamics, climate, and efforts already in motion. Their goals are action-oriented; the first one is to remove the excess sedimentation that has negatively impacted the ecosystem, drinking water quality, and water supply operations by obtaining the necessary permits and funding to fully restore the channels in the South Delta and the Clifton Court Forebay.

San Joaquin Valley Water Collaborative Action Program (SJWV CAP)**Background**

The CAP Plenary Group adopted work groups to implement the CAP Term Sheet²², adopted on November 22, 2022. During Phase II, Work Groups are continuing to meet and discuss priorities and drafting various documents for their respective areas: Safe Drinking Water; Sustainable Water Supplies; Ecosystem Health; Land Use, Demand Reduction and Land Repurposing; Implementation.

The Plenary group met on November 18-19 to continue discussions around what the next phase of the CAP would entail, discussions are ongoing associated with potential work products.

²² Request from Authority staff

APPENDIX A

CAP In-Person Plenary Meeting Summary

November 18-19, 2024

Day One

This in-person meeting's purpose was to continue building trust and deepening relationships among CAP members, review and confirm Phase Three priorities, identify projects and criteria that the CAP may support, initiate the Kaweah Subbasin pilot, develop strategies for advancing land repurposing, and identify ways to increase funding for the investments needed in the Valley.

Sarah Woolf spoke with the group about centering around the collective areas of concern that the CAP has identified. Given the changing political environment, different interests may see opportunities or challenges to achieve their favored solutions. However, pursuing single-focused solutions is not likely to be successful in the long term or achieve the multiple benefits the CAP members seek. The CAP's collaborative strategy to achieve win/win solutions for all interests will be ever more critical.

Phase Three Priorities

Jim Kramer provided an overview of the Phase Three priorities, which have been presented throughout the workgroups and caucuses, and an associated scope of work. This will include synthesizing the investment recommendations identified in the S2J2 effort, to have defined recommendations available for the next state budget. Additionally, the CAP will seek to advance the recommendations on improving the consolidation process to support safe drinking water. There will also be discussions on increasing water supply and the potential to capture more water during wet periods. The CAP will seek to advance land repurposing options and implementation. More broadly, the CAP will develop a project prioritization tool and advocate for increased funding, as the Bureau of Reclamation funding deliverable.

Breakout Group Discussion

Plenary members met in small groups to discuss the question: given the changing political environment and other forces affecting the valley's future, what are your fears, and what are you optimistic about?

The following points were raised in a group discussion around the Phase Three Priorities:

- We will be much more effective if we do this work together.
- The next Governor will be coming in two years, and we will experience another shift that could impact some of the connections or partners we have developed to date.
- The collaboration between diverse interest groups has been strong in recent history.
- Clean water is a popular issue, as demonstrated by Prop 4 (Climate Bond).

Additional Insights

Ashley Swearingen provided insights from previous experience in getting groups to coalesce around significant foundational challenges and solutions. As we embrace a new set of appointees and

agency staff, we must come to the table with an agenda. The opportunity to synthesize and firm up the S2J2 investment recommendations will put us in an excellent position to work from.

Strategy and Criteria for Supporting Projects

Several members of the CAP gave brief presentations on projects that their organizations have advanced, and that could be of common interest to the CAP.

Bill Eisenstein of River Partners presented first on floodplain and river restoration projects. River Partners exclusively does these restoration projects with willing sellers. Some general project types include channel invasive species removal (Arundo), repurposing troubled agricultural land assets to habitat for recharge and community health benefits, and job training and community capacity building to support these projects. Land repurposing was stressed as a lifeboat and not an iceberg for agricultural communities, as functional landscapes benefit productive agricultural lands. Potential areas for the CAP to explore include San Joaquin River floodplain restoration and opportunities to dedicate flows to community uses, reservoir reoperation, building job and community capacity, and advancing the Flood-MAR watershed studies.

Joe Choperena of Sustainable Conservation presented the conceptual work done with the community of Fairmead in Madera County. Sustainable Conservation worked with partners and local community organizations to develop land repurposing guidelines that establish appropriate buffer zones around the community for certain activities. One of the outcomes of this community-driven project was the identification that the community preferred dedicated recharge basins, as opposed to on-farm recharge, in proximity to their community wells. Davids Engineering has developed a conceptual design for a community park and recharge facility that would serve multiple purposes.

Scott Petersen of the San Luis Delta-Mendota Water Authority provided an overview of some Westside storage projects driven by decreased South-of-Delta agricultural allocations through the Central Valley Project. The projects discussed include the B.F. Sisk Dam Safe and Modification Project at San Luis Reservoir, which includes seismic enhancements, by raising the crest ten feet, could include an additional ten feet increase for water supply enhancement. The second project discussed was the Del Puerto Canyon Reservoir, which would be an off-stream reservoir with a capacity of 82,000 AF.

Group Discussion

The project presentations were intended to start conversations on the types of projects that the CAP could consider coalescing around and to get people thinking about potential project criteria for members of the CAP to consider. One of the biggest benefits that the CAP may be able to provide is to advocate for funding to implement similar projects or programs. The group discussed if the intention was to create a “Pass/Fail” assessment or a ranking system when considering projects for which to advocate. Depending on that structure, the group also discussed if multibenefit components were necessary for the CAP to provide approval. It was suggested that multibenefit projects be the “gold star” of approval from the CAP but single-purpose projects could also receive advocacy. Other suggestions included an initial screening period and then a ranking process. There were concerns about the prospect of attempting to rank projects. There was also discussion on the need to consider other state priorities, many of which can be met through the multibenefit land

repurposing program. It was also suggested that the CAP could consider advocating for projects that are not getting mainstream attention.

Water Supply

Sarah Woolf and Charles Delgado, who have been co-chairing a Groundwater Recharge working group, gave an overview of current challenges in the water right process for advancing recharge projects that take excess flows and put them to recharge. The issuance of permits by the State Board for groundwater recharge projects has been slow. In 2023, the high flows and flood risk warranted action by the Governor to issue the executive orders that allowed for the diversion of flood flows to groundwater recharge without the need for an appropriative water right. These executive orders were codified through the Public Resources Trailer Bill of 2023 (Senate Bill 122), resulting in Water Code Section 1242.1. It was recognized that the current legislation is not perfect. Still, it allowed landowners who had invested in groundwater recharge projects to benefit from their investments by being credited.

Charles discussed Senate Bill (SB) 1390 from the 2023-2024 legislative session, carried by Sustainable Conservation, which would have revised Water Code Section 1242.1. This legislation was intended to provide clarity and allow proponents to advance recharge within responsible parameters. Delta guardrails were added, requiring the Delta to be in excess conditions without restrictions for diversions. SB 1390 ultimately failed without a final vote. Any future proposed legislation would similarly be introduced to clarify the language of the existing statute.

The group discussed high flows in the Delta and its concerns. It was proposed that a potential path forward would be to work around a 20,000 cfs threshold at Vernalis, beyond which available flows can be “appropriated” to upstream users. This process is largely backwards of how current prior appropriation works but could provide a framework to work from. The 20,000 cfs threshold at Vernalis would be a point that is recognized as a flood risk for downstream Delta communities.

Outside of introducing greater clarity to Water Code Section 1242.1, there are challenges in the current appropriative water rights process. The CAP can consider ways to advocate for improvements in this space. Some of the noted concerns were on the terms and conditions that made executing diversions more challenging than necessary and the slow pace through which permits are issued, particularly for projects proposing to divert high flows. There was also a more general concern that permits have no incentive to move through the process, and the Water Board has sat on applications for years. It was suggested that Erik Ekdahl be invited to present at a meeting.

Day Two

Kaweah Subbasin Pilot

Sam Cunningham provided a general overview of the Kaweah Subbasin, its governance, and ongoing programs and efforts that align with the goals of the CAP that could be leveraged in the subbasin pilot. Jessi Snyder presented on the Kaweah Subbasin Mitigation Program and the role that Self Help Enterprises is playing in implementing the program. The GSAs are funding private well replacement for wells that go dry due to declining water levels. Logan Robertson Huecker provided

an overview of the Kaweah Subbasin MLRP program and Regional Conservation Investment Strategy (RCIS). While project solicitation under the original block grant has concluded, the partners are working on the Agricultural Land Repurposing Plan and implementing the awarded projects. Self-Help Enterprises is working on developing a structure for a “Community Capacity Development Program,” which is intended to provide opportunities for applicants who have less capacity to prepare an application for a project.

For pilot implementation, the main goal of the CAP will be to look at proposed projects, management actions, and programs, and identify gaps. Regarding drinking water solutions, the group felt that there was a need to provide more technical assistance for long-term solutions and provide local government with the comfort to implement existing authorities. It was also suggested that the work proposed to streamline consolidations could be evaluated as part of the pilot. As the pilot is occurring, it was recommended that the CAP consider the various regulatory programs that are funded by agricultural producers (ILRP, SGMA, CV-SALTS) and work to avoid imposing additional fees on a stressed ag economy.

Land Transition and Repurposing

Agricultural Land Values and Economics

Janie Gatzman, ARA, a rural land appraiser and farmer, presented the challenges that SGMA poses on land values in the San Joaquin Valley. Some of the noticeable trends in the industry are that commodity prices are dropping as acreages of these commodities are increasing or at highs. For land appraisal, agricultural lands are tracked by water supply reliability, with “Tier 4” being solely groundwater-dependent land, which has experienced price drops of as much as 50 percent. As banks get more nervous when values fall steeply, they start to call in loans, which many farmers cannot fully repay, leading to bankruptcy and foreclosure.

Some of the key points from the discussion include:

- Bankrupt properties are mainly being bought by mid-sized farmers, not large corporate entities.
- SGMA is likely not the primary factor behind the decrease in land value, but it is a component that creates a “perfect storm” in the current commodities market.
- Allocations would have benefits in reducing uncertainty for growers and bankers.
- SGMA may help stabilize the downward trends faster than previous periods in time but will also create “winners” and “losers” in the process.
- Land that is lost and not maintained can become a nuisance for neighboring farmers.

MLRP Program Update

Anna Schiller of EDF provided an update on implementing the MLRP program. Currently, six of the eight block grants funded by the Department of Conservation are within the San Joaquin Valley. In addition, five of the first ten projects approved by the Department of Conservation are within the Kaweah Subbasin. The newly approved Climate Bond earmarks \$200 million to the MLRP program, which will allow for funding in new areas and additional funding to the existing block grantees.

Concerns were expressed about the impact on agricultural and rural economies. A report by David Sunding provides estimates for the economic impacts land transitions will have. The overall funding

needs were also discussed. It was expressed that GSAs may need to develop local programs that can fund repurposing activities, and additional sources, such as future Farm Bills, may be areas to explore.

Climate Bond

Proposition 4 passed in the 2024 General Election. The CAP sent a letter to the Governor and administration in early bond negotiation discussions to advocate for funding areas. Jim Kramer provided an overview of the Climate Bond and the areas that overlap with CAP funding priorities. Funding areas generally include safe drinking water, drought, flood, and water resilience (\$3.8 billion), nature-based climate solutions, habitat and climate change (\$1.2 billion), and climate-smart, resilient, sustainable working lands (\$300 million). The bond language also requires that 40 percent of funding go to the benefit of disadvantaged communities.

Next Steps

- **Bond Implementation:** The CAP will invite Paul Gosselin and other state agency representatives to present their initial ideas for implementation of the different bond elements.
- **Kaweah Subbasin:** The CAP staff will research existing plans for the Subbasin, confer with Subbasin leaders, and develop a work plan and schedule by mid-January.
- **CAP Support of Projects:** The Steering Committee will consider the Plenary Group discussion and develop a proposal for how the CAP can engage in projects.
- **Water Supply:** The Recharge Workgroup will develop a specific set of recommendations for improving the appropriative water rights process and discuss a set of principles for pending recharge legislation. Both will be shared with the Plenary Group for feedback. A separate subgroup will develop recommendations for best informing the Plenary Group of the issues and opportunities for increasing water supply.
- **Land Repurposing:** The CAP staff will provide the Plenary Group with ideas for how to accelerate options for land repurposing based on the work in the Kaweah Subbasin and conversations with EDF staff and others working on the MLRP program.