



San Luis & Delta-Mendota Water Authority
Monday, May 11, 2020, 10:00 a.m.

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

Meeting URL

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NOTE: 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, members of the Water Resources Committee, Board of Directors, and Water Authority staff will be participating in this meeting remotely from multiple locations. This meeting will occur exclusively through Bluejeans. 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, as appropriate.

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

Agenda

1. Call to Order/Roll Call
2. Water Resources Committee to Consider 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 April 6, 2020, Meeting Minutes**
5. **Water Resources Committee to Consider Recommendation to Board of Directors to Adopt Support Position on Legislation: H.R. 6643 (Schneider) – Supporting State and Local Leaders Act, Petersen**
6. **Water Resources Committee to Consider Recommendation to Board of Directors to Authorize Execution of Agreements and Expenditures Relating to B.F. Sisk Dam Raise Project, Barajas**
 - A. **Contributed Funds Agreement with U.S. Bureau of Reclamation, Expenditure of up to \$279,062 from FY21 Leg Ops Budget**
 - B. **Professional Services Agreement with CDM Smith, Expenditure of up to \$1,254,117 from FY20 and FY21 Leg Ops Budgets**
7. **Water Resources Committee to Consider Recommendation to Board of Directors to Ratify and Adopt Single Source Justification and Ratify and Authorize Execution of Professional Services Agreement and Current and Future Task Orders with Gray-Bowen-Scott for B.F. Sisk Dam Raise Project Support, and Expenditures of \$10,000 from FY20 Leg Ops Budget and up to \$89,960 from FY21 Budget, Arroyave**

REPORT ITEMS

8. 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)
9. Report on State and Federal Affairs, Petersen
10. Executive Director's Report, Barajas
(May include reports on activities within the Water Resources Committee's jurisdiction related to 1) CVP/SWP water operations; 2) 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)
11. Chief Operating Officer's Report, Arroyave
(May include reports on activities within the Water Resources Committee's jurisdiction 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 Member Reports
14. Closed Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 4 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 – 3 potential cases

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

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

- A. Natural Resources Defense Council et al. v. Bernhardt et al., U.S. District Court, E.D. Cal., Case No. 1:05-cv-01207, LJO-BAM (Old FWS – OCAP BO/Contracts)
- B. Modesto Irrigation District, et al. v. State Water Resources Control Board & Woods Irrigation Company, Sacramento County Superior Court Case No. 34-2011-80000803 (Complaint for Declaratory Relief re Woods Irrigation Company)
- C. SWRCB Water Rights Complaints: Modesto Irrigation District, State Water Contractors, San Luis & Delta- Mendota Water Authority, Interested Persons in SWRCB CDO Enforcement Proceedings and/or Petitions for Reconsideration: Pak & Young; Mussi et al; George Speckman Testamentary Trust (Water Rights Complaints)

- D. Pacific Coast Federation of Fishermen's Associations, California Sportfishing Protection Alliance, Friends of the River, San Francisco Crab Boat Owners Association, Inc., The Institute for Fisheries Resources, and Felix Smith v. Donald R. Glaser and San Luis & Delta-Mendota Water Authority, U.S. District Court, E.D. Cal., Case No. 2:11-CV-02980-KJM-CKD ("PCFFA v Glaser" or "GBP Citizens Suit")
- E. San Luis & Delta-Mendota Water Authority and Westlands Water District v. Delta Stewardship Council, et al., Sacramento County Superior Court Case No. 34-2013-80001500 (Delta Plan Litigation). Appeals in Delta Plan Litigation: State Water Contractors, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082944); California Water Impact Network, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Central Delta Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); North Coast Rivers Alliance, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); San Luis & Delta-Mendota Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Save the California Delta Alliance v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994)
- F. California Sportfishing Protection Alliance, et al. vs. California State Water Resources Control Board, et al., Alameda County Superior Court Case No. RG15780498 (State WQCP/TUCP)
- G. City of Fresno, et al. v. United States, U.S. Court of Federal Claims, Case No. 16-1276L (Friant Takings Suit)
- H. Monterey Coastkeeper, et al. v. Central Valley Regional Water Quality Control Board, et al., Sacramento County Superior Court Case No. 34-2018-80002853; Environmental Law Foundation v. State Water Resources Control Board, Sacramento County Superior Court Case No. 34-2018-80002851; Protectores del Agua Subterranea v. State Water Resources Control Board, Sacramento Superior Court Case No. 34-2018-80002852 ("Waste Discharge Requirement Cases")
- I. North Coast Rivers Alliance v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002898; Central Delta Water Agency v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002900; Friends of the River v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002901; California Water Impact Network v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002904 ("Delta Plan Amendment Cases")
- J. 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)
- K. Pacific Coast Federation of Fishermen's Associations, et al. v. Wilbur Ross, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00431-DAD-EPG (ROC on LTO BiOps)
- L. California Natural Resources Agency, et al. v. Wilbur Ross, et al., U.S. District Court, E.D. Cal., Case No. 1:20-cv-00426-DAD-EPG (ROC on LTO BiOps)
- M. California Sportfishing Protection Alliance v. All Persons Interested in the Matter of the Validity of the Northern and Central Delta-Mendota Regions Groundwater Sustainability Plan, et al., Stanislaus County Superior Court, Case No. CV-20-001748 (Delta-Mendota Subbasin SGMA Challenge)
- N. Tehama Colusa Canal Authority et al. v. California Department of Water Resources et al., Fresno County Superior Court, Case No. TBD (SWP EIR Challenge)

- 15. Return to Open Session
- 16. Report from Closed Session, if any, Required by Government Code Section 54957.1
- 17. Reports Pursuant to Government Code Section 54954.2(a)(3)
- 18. ADJOURNMENT

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

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
BOARD OF DIRECTORS SPECIAL TELEPHONIC MEETING
MINUTES FOR APRIL 9, 2020**

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 9:30 a.m. for a special telephonic meeting, with Chair Cannon Michael presiding.

Directors and Alternate Directors in Attendance Division 1

Bobby Pierce, Director - Vince Lucchesi, Alternate
Anthea Hansen, Director
Rick Gilmore, Director

Division 2

Dan Errotabere, Director
William Bourdeau, Director
John Bennett, Director - Michael Linneman, Alternate

Division 3

Jeff Bryant, Alternate for Dan McCurdy
Chris White, Director - Jarrett Martin, Alternate
Cannon Michael, Director
Ellen Wehr, Alternate for Ric Ortega

Division 4

John Varela, Director - Garth Hall, Alternate
Gary Kremen, Director - Richard Santos, Alternate
Jeff Cattaneo, Director
Sara Singleton, Alternate for Joseph Tonascia

Division 5

Bill Pucheu, Director
Tom Birmingham, Director - Jose Gutierrez, Alternate
Steve Stadler, 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
Bob Martin, Facilities O&M Director

Others in Attendance

Mike Wade, California Farm Water Coalition
Russ Freeman, Westlands Water District
Kristi Robinson, Water Wise
Don Wright, WaterWrights.net
Sara Woolf, Water Wise

Tom Boardman, Westlands Water District
Don Willard, Friant Water Authority
Erick Johnson, Water Agency
Hasan Abdullah, EBMUD
Andrea Matarazzo, Pioneer Law Group
Anusha Kashyap, CDM Smith
Gina Veronese, CDM Smith
J. Larat
Angela Alcala, ICF
I.P. Hsiu, EBMUD

1. **Call to Order/Roll Call**

The meeting was called to order and roll was called.

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

General Counsel Rebecca Akroyd informed the Board that Agenda Item 14 would be removed from the Agenda.

3. **Opportunity for Public Comment**

No public comment.

CONSENT ITEMS

4. **Agenda Items 4-6: Board to Consider: a) March 2, 2020 Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Staff Reports.**

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

AYES:	Pierce, Hansen, Gilmore, Bourdeau, Bennett, White, Michael, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

ACTION ITEMS

5. **Agenda Items 7: Board of Directors to Consider Resolution and Finance &**

Administration Committee Recommendation Regarding Adoption of Consolidated Procurement Policy and Rescind Resolution No. 2009-317.

General Counsel Rebecca Akroyd reviewed the proposed Consolidated Procurement Policy with the Board. The Board recommended revisions to the following sections: 1) revising section 1.1 to clarify the delegation of contracting authority to the Executive Director, Chief Operating Officer, or the General Counsel for legal matters, 2) striking 3.2 (e) relating to legal services, 3) striking the delegation of authority to the Executive Director for items over \$200,000, 4) and revising sections 2.4 and 3.3 pertaining to change orders (moving the threshold for Board approval from 25% to 10%). On a motion of Director Rick Gilmore, seconded by Director Chris White, the Board adopted the Consolidated Procurement Policy, including the amendments listed above, and rescinded Resolution No. 2009-317. The vote on the motion was as follows:

AYES:	Pierce, Hansen, Gilmore, Bourdeau, Bennett, White, Michael, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Gutierrez, Stadler
NAYS:	None
ABSTENTIONS:	None

6. Agenda Item 8: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding the Resolution Making Findings under the California Environmental Quality Act, Authorizing Execution of Contract Between the United States of America and San Luis & Delta-Mendota Water Authority for the Repayment of Extraordinary Maintenance Costs for the C.W. “Bill” Jones Pumping Plant and Authorizing Actions Related Thereto.

Chief Operating Officer Pablo Arroyave reported that a two-day negotiation session on the draft repayment contract concluded on March 24, 2020, and that draft repayment contract was released by Reclamation for a 60-day comment period beginning March 30, 2020. The comment period concludes on May 29, 2020.

Arroyave described key contract terms, including: 1) funding up to \$12,700,000 for XM Work (Unit Rewind Project for four remaining units), 2) capping funds received at a maximum of 80% of total federal funding received for XM Work (Repayment Contract + possible WIFIA funds), 3) interest rate based on the Department of Treasury rate as of the beginning of the Fiscal Year in which each unit commences, with separate repayment blocks for each unit, 4) repayment of each block beginning the following February of the year work is completed, 5) a twenty-three (23)-year repayment period for each payment block, and 6) funding of reasonable costs incurred for XM Work beginning March 1, 2020 upon approval by Contracting Officer. Arroyave reported to the Board that the Finance & Administration Committee recommended the Board approve the

resolution and after the 60-day public comment period authorize the Executive Director to execute the repayment contract.

On a motion of Director Rick Gilmore, seconded by Director William Bourdeau, the Board approved the Resolution making findings under the California Environmental Quality Act, authorizing execution of contract between the United States of America and San Luis & Delta-Mendota Water Authority for the repayment of extraordinary maintenance costs for the C.W. “Bill” Jones Pumping Plant and authorizing actions related thereto. The vote on the motion was as follows:

AYES:	Pierce, Hansen, Gilmore, Bourdeau, Bennett, White, Michael, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Gutierrez, Stadler
NAYS:	None
ABSTENTIONS:	None

7. Agenda Item 9: Board of Directors to Consider Adopting Resolution Authorizing Application for San Joaquin Valley Air Pollution Control District Public Benefit Grant to Fund Electric Utility Vehicle.

Chief Operating Officer Pablo Arroyave reported that the San Joaquin Valley Air Pollution Control District has grant funds available to public agencies to purchase alternative fueled vehicles to reduce emissions, including electric utility vehicles. Arroyave reported that this type of vehicle would be very useful at the O’Neill Plant for technicians to travel between the plant and DMC Check 13. Arroyave reported that a grant of \$19,570.11, if awarded, would pay for the entire cost of the vehicle.

On a motion of Director John Varela, seconded by Director Dan Errotabere the Board adopted the Resolution authorizing an application for a San Joaquin Valley Air Pollution Control District Public Benefit Grant to fund an electric utility vehicle. The vote on the motion was as follows:

AYES:	Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett, White, Michael, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Gutierrez, Stadler
NAYS:	None
ABSTENTIONS:	None

8. Agenda Item 10: Board of Directors to Consider Adopting Resolution Certifying the Final Long-Term Water Transfers Environmental Impact Report (SCH #2011011010), Adopting CEQA Findings of Fact, and Adopting a Mitigation Monitoring and Reporting Program.

Special Projects Administrator Frances Mizuno reported that the Bureau of Reclamation and the Authority released the Long-Term Water Transfers Revised Draft EIR/Supplemental Draft EIS (RDEIR/SDEIS) in February 2019 to address specific issues identified in the federal District Court's ruling on litigation relating to the 2015 EIS/EIR. Mizuno reported that the RDEIR/SDEIS was released for a 45-day public review and comment period and written responses to comments were prepared as part of the 2019 Final EIS/EIR. Mizuno reported that in November 2019, the 2019 Final Long-Term Water Transfers EIS/EIR was again released and additional comments were received. Mizuno reported that these late comments, many of which were duplicates, were addressed, and the Final Long-Term Water Transfers EIS/EIR presents the entire document including revisions to the 2014 Draft EIS/EIR and the RDEIR/SDEIS in response to comments.

Outside counsel Andrea Matarazzo reported that the current findings that the Board is being asked to certify relate to clarifications and additional analysis that were done on three specific issues that were identified in the District Court's ruling on the prior certification of the EIR in 2015. Matarazzo reported that there were three areas where the court wanted additional review: 1) cumulative impact of reductions to Delta outflows, 2) monitoring program for groundwater substitution transfers and other aspects of the transfers that might result in impacts to third parties or in subsidence impacts, 3) related mitigation for potential impacts to the Giant Garter Snake. Matarazzo reported that the EIS/EIR was revised to address those three categories of potential impact, mitigation measures were tightened up, and the draft was recirculated for public review. Matarazzo provided a brief review of the CEQA findings. Matarazzo reported that nothing about the revised analysis or comments received, including late comments on the Final EIS/EIR, necessitated consideration of any additional alternatives or mitigation measures, or revisions to the EIR's impact conclusions.

Mizuno reported that Reclamation signed the Record of Decision on the EIS on April 7, 2020.

On a motion of Director Rick Gilmore, seconded by Alternate Jose Gutierrez, the Board adopted the Resolution certifying the Final Long-Term Water Transfers Environmental Impact Report (SCH #2011011010), adopting CEQA Findings of Fact, and adopting a Mitigation Monitoring and Reporting Program. The vote on the motion was as follows:

AYES: Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett, White, Michael, Varela, Kremen, Cattaneo, Singleton, Pucheu, Gutierrez, Stadler

NAYS: None

ABSTENTIONS: Wehr

9. **Agenda Item 11: Board of Directors to Consider Authorizing Execution of 2020 Water Purchase and Sale and Forbearance Agreements Pursuant to the Final Long-Term Water Transfers Environmental Impact Report and Authorizing Actions Related Thereto.**

Special Projects Administrator Frances Mizuno reported that Authority staff have been engaged for the past month negotiating with potential sellers to purchase water made available for transfer through groundwater substitution. Mizuno reported that there are at least thirteen contractors willing to sell up to approximately ninety thousand acre-feet of groundwater substitution water at a price of \$350 per acre-foot. Mizuno reported that the draft Water Purchase Agreements have been provided to all potential sellers and are ready for final execution after the Final Long-Term Water Transfer Environmental Impact Report (EIR) has been certified by the Board of Directors. Mizuno reported that the estimated quantity of water to be made available is based on pumping of groundwater substitution water starting in May through September. Mizuno reported that in order for this water to be available in May-June, Reclamation must be able to “back-up” this water into Shasta Reservoir for storage for subsequent release in July-September during the period when the water can be pumped at Jones or Banks Pumping Plants. Mizuno reported that the call date for this water is conditioned on Reclamation confirming they have the ability to “back-up” the groundwater substitution water.

On a motion of Director Rick Gilmore, seconded by Alternate Jose Gutierrez, the Board authorized execution of 2020 Water Purchase and Sale and Forbearance Agreements pursuant to the Final Long-Term Water Transfers Environmental Impact Report and authorizing actions related thereto. The vote on the motion was as follows:

AYES: Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett,
White, Michael, Varela, Kremen, Cattaneo, Singleton,
Pucheu, Gutierrez, Stadler

NAYS: None

ABSTENTIONS: Wehr

10. **Agenda Item 12: Board of Directors to Consider Authorizing Execution of Sustainable Groundwater Management Act (SGMA) Services Memorandum of Agreement with Central Delta-Mendota Groundwater Sustainability Agency, pursuant to Central Delta-Mendota Region SGMA Services Activity Agreement.**

Water Policy Director Scott Petersen reported that the Central Delta-Mendota GSA (Central GSA) was formed when ten agencies entered into a Joint Powers Agreement (JPA). Petersen reported that the ten agencies are all public agencies that were previously coordinating together through a memorandum of agreement that formed the Central Delta-Mendota Region Multi-Agency

GSA. Petersen reported that since the Central GSA is not a member agency of the SLDMWA, the Central GSA seeks to enter into a Sustainable Groundwater Management Act Services Memorandum of Agreement (SS-MOA) with the Authority to continue to have representation on the Management Committee and receive SGMA support services from the Authority. Petersen reported that authorizing execution of this SS-MOA will ensure the Central GSA will continue to receive ongoing support from the Authority and maintain representation within the Central Management Committee. Petersen reported that the Authority will provide ongoing support to the Central GSA in order to comply with SGMA regulations.

On a motion of Director John Bennett, seconded by Director Bill Pucheu, the Board authorized execution of the SGMA Services Memorandum of Agreement with the Central Delta-Mendota Groundwater Sustainability Agency, pursuant to the Central Delta-Mendota Region SGMA Services Activity Agreement. The vote on the motion was as follows:

AYES:	Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett, White, Michael, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Gutierrez, Stadler
NAYS:	None
ABSTENTIONS:	None

II. Agenda Item 13: Board of Directors to Consider Water Resources Committee Recommendation Regarding Adoption of Communications Plan.

Water Policy Director Scott Petersen reported that the Communications Plan is designed to address implementation for Strategic Plan Goal Area 6, Effective Communications and Engagement with Key Parties. Petersen provided a brief background summary reporting that in January, a draft communications plan was presented to the Board and subsequently, an ad hoc communications committee was formed to review the draft plan and provide additional input and recommendations. Petersen reported that the plan presented contains a number of target audiences and specified methods of engagement to provide outreach to each audience, as well as identified parties and timelines for doing so. Petersen concluded reporting that the ad hoc communications committee had a number of comments that were addressed and suggestions that were incorporated into this draft, including comments provided after the last Water Resources Committee meeting. Petersen reported that the Water Resources Committee recommended the Board adopt the Authority Communications Plan.

On a motion of Director Rick Gilmore, seconded by Director Gary Kremen adopted the Communications Plan. The vote on the motion was as follows:

AYES: Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett,
White, Michael, Wehr, Varela, Kremen, Cattaneo, Singleton,
Pucheu, Gutierrez, Stadler

NAYS: None

ABSTENTIONS: None

REPORT ITEMS

12. Agenda Item 15: Report on State and Federal Affairs.

Water Policy Director Scott Petersen reported that Authority staff continues to engage with the federal administration on a number of items, including CISA designation for essential infrastructure workers to include agricultural irrigation operations and maintenance. Petersen reported that staff has been working with the Administration regarding the development of interagency “federal project” criteria for the WIFIA loan program that was required to be promulgated by the FY 20 Interior-Environment appropriations legislation.

Petersen reported that Congress is focused on coronavirus response, recently passing 3 bills that contain more than \$2 trillion in economic response, including a few policy issues that staff will be working with Congress to address that impact public water agencies. Petersen reported that the second coronavirus response bill created obligations for public agencies to provide additional benefits related to Family Medical Leave Act and additional paid time off for employees who are dealing with impacts resulting from COVID-19. Petersen reported that the legislation provided a payroll tax credit for private entities, but specifically excluded public and state agencies from receiving the same offsetting payroll tax credit. Petersen reported that the Authority is working with a coalition of entities to address this inequity in upcoming legislation. Petersen reported that discussion around a fourth response package continue.

Petersen reported that the State of California is similarly focused on COVID 19 response and the Legislature has postponed its return until May 4, 2020. Petersen reported that there has been a very significant decrease in projected revenues into the State Treasury that will likely have significant impacts on additional spending on the state level, and the administration will have to revise the state budget.

13. Agenda Item 16: Executive Directors Report.

Executive Director Federico Barajas reported that Authority staff has successfully completed the WIFIA loan application, and it is now with the EPA.

Barajas reported that Authority staff is working with the Finance & Administration Committee on draft Authority Bylaws, and have extended the review period through April 17.

Barajas reminded the Board that there is a B.F. Sisk Dam Raise Workshop scheduled after today's Board meeting.

Barajas reported Frances Mizuno officially retired last week, and welcomed her back as a part-time employee in her new position as the Special Projects Administrator.

14. Agenda Item 17: Chief Operating Officer's Report.

Chief Operating Officer Pablo Arroyave reported that work continues on Unit 4 at the O'Neill Pumping Plant. Arroyave reported that the alignment is complete, and staff are beginning the reassembly of the remaining components at this time.

Arroyave reported maintenance continues on track/on schedule for the Jones Pumping Plant rewind project, and staff has continued to do needed maintenance of other units.

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

Westlands Water District's Tom Boardman reported that while delta inflow has increased to more than 24,000 cfs for the first time since late January, total exports are scheduled to drop by half when a 30-day pulse flow begins on April 10 in accordance with D-1641. Exports during the pulse flow period will be limited to 100% of the San Joaquin flow.

Boardman stated that DWR's Bulletin 120 report for April is showing that a Shasta Critical year is projected under 90% exceedance condition. Boardman briefly described the effects on allocations and transfers if a Shasta Critical year officially results in 2020.

Boardman reviewed two charts showing San Luis storage projections and briefly described Reclamation's CVP San Luis storage projections. Boardman responded to question regarding how recent hydrology might affect DWR's estimate of SWP San Luis storage. Chris White stated that DWR's inflow forecast for Shasta year type is likely underestimated due to limited snow survey information. Due to DWR personnel issues related to Covid-19, complete snow surveys are currently hampered.

16. Agenda Item 19: Committee Reports.

No reports given.

17. Agenda Item 20: Outside Agency/Organization Reports.

a. State and Federal Contractors Water Agency (SFCWA)

Director Rick Gilmore reported that SFCWA met March 19, 2020, and more detail will be provided next month.

b. Family Farm Alliance (FFA)

Report included in the packet.

c. **Farm Water Coalition.**

Mike Wade reported that two pieces were placed this week in Cal Matters, and the other in Fox & Hounds. Wade reported that staff is working with Water Policy Director Scott Petersen on content relating to the Authority's Science Program.

d. **Association of California Water Agencies**

No report.

e. **San Joaquin Valley Water Blueprint Effort**

No report.

18. **Agenda Item 21: Board Member Reports.**

No reports given.

19. **Agenda Items 22-24: Closed Session Report.**

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:45 a.m. Upon return to open session at approximately 12:10 p.m., General Counsel Rebecca Akroyd stated that no reportable actions were taken.

20. **Agenda Item 25: Reports Pursuant to Government Code Section 54954.2**

No reports.

21. **Agenda Item 26: Adjournment.**

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



MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: May 11, 2020

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) Revised Delta Conveyance, (5) Delta Stewardship Council, and (6) San Joaquin Valley Water Blueprint.

POLICY ITEMS

Reinitiation of Consultation on Long-Term Operations (ROC on LTO)

On August 2, 2016, the U.S. Bureau of Reclamation, the lead federal agency, and the California Department of Water Resources (DWR), the applicant, jointly requested the reinitiation of Endangered Species Act consultation on the coordinated long-term operation of the Central Valley Project (CVP) and State Water Project (SWP). The U.S. Fish and Wildlife Service (FWS) and National Oceanic and Atmospheric Administration Fisheries (NOAA Fisheries) accepted the reinitiation request on August 3, 2016.

On January 31, 2019, Reclamation transmitted their Biological Assessment. As stated in the BA, the purpose of this action is "...to continue the coordinated long-term operation of the CVP and SWP to maximize water supply delivery and optimize 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."

The two biological opinions¹² on the coordinated operations of the CVP/SWP were finalized on October 21, 2019. FWS and NOAA Fisheries evaluated the impact of CVP/SWP water operations on imperiled species including Delta smelt, salmonid, green sturgeon, northern resident killer whale and 15 terrestrial species that could be impacted. The proposal includes habitat

¹ https://www.fws.gov/sfbaydelta/cvp-swp/documents/10182019_ROC_BO_final.pdf

² <https://www.fisheries.noaa.gov/webdam/download/98198559>

management measures in the Delta and entrainment management related to water exports in the South Delta.

On February 18, 2020, Reclamation completed the environmental review process under the National Environmental Policy Act by signing the Record of Decision, implementing the new biological opinions.

Relatedly, the State Water Project (SWP) has completed a separate permitting process for its long-term operations . As part of this process, the state released a draft Environmental Impact Report³ on November 21, 2019, pursuant to the California Environmental Quality Act, that identifies potential operational changes to protect species and manage the SWP based on real-time conditions in the Delta ecosystem, rather than calendar-based requirements. DWR's draft EIR was available for public comment through January 6, 2020. The Authority submitted a comment letter highlighting concerns with the document. The final EIR was issued on March 31, 2020.

Concurrent with the environmental review under CEQA, DWR developed and submitted an application for a permit from the California Department of Fish and Wildlife (CDFW) for long-term SWP operations under CESA. On March 31, 2020, CDFW released the conditions for issuing an Incidental Take Permit (ITP) pursuant to CESA for SWP operations that has some differences from the federal biological opinions. The ITP differs from the federal Biological Opinions in some significant ways:

- It vests authority in CDFW to stop operational changes if it determines they will violate CESA standards.
- It provides additional direction on when Delta pumping can be increased during storm events and caps the amount that exports can be increased in those events.
- It includes specific operations for longfin smelt, a protected species under CESA, though not under the ESA, and a commitment to implementing a longfin smelt science plan.

Reclamation Directives and Standards

Documents out for Comment

Draft Directives and Standards

- [Concessions Management by the Bureau of Reclamation, LND 04-01 \(comments due 5/17/2020\)](#)
- [Concessions Management by Non-Federal Partners, LND 04-02 \(comments due 5/17/2020\)](#)
- [Underground Storage Tank System Management, ENV 15-05 \(comments due 5/24/2020\)](#)
- [National Aviation Management Plan \(NAMP\) \(comments due 5/30/2020\)](#)

³ https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/State-Water-Project/Files/Deliv-42DEIRv1-112119-Volume-I_ay_19.pdf?la=en&hash=FA4DB4BDFE72DFE791F187AE5D796B0BB89177AC

- Use Authorizations, LND 08-01 (comments due 6/1/2020)
- Private Exclusive Recreational and Residential Use, LND 08-04 (comments due 6/1/2020)

State Water Resources Control Board Activity

Documents out for Comment

WHITE PAPER DISCUSSION ON ECONOMIC FEASIBILITY ANALYSIS IN CONSIDERATION OF A HEXAVALENT CHROMIUM MCL

The State Water Resources Control Board (State Water Board) will receive public comments on the White Paper Discussion on Economic Feasibility Analysis in Consideration of a Hexavalent Chromium Maximum Contaminant Level (MCL) (White Paper).

BACKGROUND

In 2011, OEHHA established a Public Health Goal (PHG) for hexavalent chromium of 0.02 parts per billion (ppb) that is based on cancer risk. Hexavalent chromium has been detected in numerous drinking water sources in California. In 2014, the California Department of Public Health established an MCL of 10 ppb for Hexavalent Chromium. However, in 2017 the Superior Court of the State of California invalidated that MCL and directed the State Water Board to withdraw the current MCL and establish a new MCL.

SUBMISSION OF WRITTEN COMMENTS

Comments on the White Paper will be considered as the State Water Board staff begins development of the regulation package for a primary drinking water standard for hexavalent chromium. The State Water Board will be accepting oral comments during the workshops, and interested persons may send written comments or questions in advance of the workshops, or up until 12:00 noon on May 15, 2020.

Bay Delta Water Quality Control Plan Update

The State Water Resources Control Board ("Water Board") is currently considering updates to its 2006 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary ("Bay Delta Plan") in two phases (Plan amendments). The first Plan amendment is focused on San Joaquin River flows and southern Delta salinity ("Phase I" or "San Joaquin River Flows and Southern Delta Salinity Plan Amendment"). The second Plan amendment is focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows ("Phase II" or "Sacramento/Delta Plan Amendment").

During the December 12, 2018 Water Board Meeting, the Department of Water Resources ("DWR") and Department of Fish and Wildlife presented proposed "Voluntary Settlement Agreements" ("VSAs") on behalf of Reclamation, DWR, and the public water agencies they serve to resolve conflicts over proposed amendments to the Bay-Delta Plan update.⁴ The Water Board

⁴ Available at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf>.

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

Phase 1 Status: The Water Board adopted a resolution⁵ to adopt amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary and adopt the Final Substitute Environmental Document during its December 12, 2018 public meeting.

Phase 2 Status: In the Water Board’s resolution adopting the Phase 1 amendments, the Water Board directed staff to assist the Natural Resources Agency in completing a Delta watershed-wide agreement, including potential flow and non-flow measures for the Tuolumne River, and associated analyses no later than March 1, 2019. Staff were directed to incorporate the Delta watershed-wide agreement as an alternative for a future, comprehensive Bay-Delta Plan update that addresses the reasonable protection of beneficial uses across the Delta watershed, with the goal that comprehensive amendments may be presented to the State Water Board for consideration as early as possible after December 1, 2019. As the Water Board further refines this update, there will be opportunity for public comment.

The effort has made significant progress since an initial framework was presented to the State Water Board on December 12, 2018.

On March 1, 2019, the California Department of Water Resources and the Department of Fish and Wildlife submitted documents⁶ to the Water Board that reflect progress since December to flesh-out the previously submitted framework to improve conditions for fish through targeted river flows and a suite of habitat-enhancing projects including floodplain inundation and physical improvement of spawning and rearing areas.

Since the March 1 submittal, significant work has taken place to develop the package into a form that is able to be analyzed by State Board staff for legal and technical adequacy. On June 30, 2019, a status update with additional details was submitted to the Board for review. 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.

Delta Conveyance

On May 2, 2019, the California Department of Water Resources announced that it has withdrawn the project approval of WaterFix and rescinded the accompanying NOD filed

⁵Available at

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

⁶ Available at http://resources.ca.gov/docs/voluntary-agreements/2019/Complete_March_1_VA_Submission_to_SWRCB.pdf

pursuant to CEQA DWR will begin a renewed environmental review and planning process for a smaller, single tunnel project. In addition, DWR and Reclamation submitted the attached letter to the State Water Board notifying the Board that they were withdrawing both the change petition and the application for Section 401 certification for WaterFix.

On January 15, 2020, The Department of Water Resources (DWR) released a [Notice of Preparation \(NOP\)](#) for a proposal to modernize water infrastructure in the Sacramento-San Joaquin Delta, initiating environmental review in compliance with the California Environmental Quality Act (CEQA). The NOP, announcing the preparation of an environmental impact report (EIR) for the proposed Delta Conveyance Project, marks the first step under the CEQA process. The proposed project described in the NOP is a single underground tunnel with two intakes that together have a total diversion capacity of 6,000 cubic feet-per-second (cfs). The NOP notes that there will likely be alternatives identified that evaluate a range of capacities from 3,000 cfs to 7,500 cfs. The NOP signals the start of the scoping process for the EIR and provides an opportunity for members of the public and agencies to provide input on the scope and content of the EIR, including information needs, potential project effects and mitigation measures, and possible alternatives to the proposed project.

The Delta Conveyance Project scoping period concluded on Friday, April 17, after a 93-day comment period during which the public and agencies, including the Water Authority, had an opportunity to provide input on the scope and content of the CEQA review, including the potential environmental impacts of a proposed single tunnel conveyance project and range of alternatives that will be analyzed in the EIR. DWR is now in the process of reviewing all comments submitted during the scoping process and will publish a scoping report this summer that summarizes the information received during scoping. DWR will utilize the scoping comments in developing the range of alternatives to be evaluated in detail in the Draft Environmental Impact Report (EIR) and the scope of the environmental impact analysis. Publication of the Draft EIR is expected in early 2021.

Independent from the CEQA process, DWR also intends to seek a court ruling this spring to affirm its authority to issue revenue bonds for a future conveyance facility.

Upcoming Activities – May 2020

DCA Monthly Board Meeting

The next DCA Board monthly meeting is scheduled for May 21 at 2:00pm and will take place virtually. Meeting materials and information on how to participate remotely will be posted on the DCA website when available.

Delta Conveyance Finance Authority Monthly Board Meeting

The next Delta Conveyance Finance Authority monthly meeting is scheduled for May 21 at 11:00am and will take place virtually. Meeting materials and information on how to participate remotely will be posted on the DCA website when available.

Delta Stakeholder Engagement Committee Meeting

The next SEC meeting is scheduled for May 27 at 3:00pm and will take place virtually. Meeting materials and information on how to participate remotely will be posted on the DCA website when available.

Water Blueprint for the San Joaquin Valley

The Blueprint Group elected to cancel the April Blueprint Large Group meeting. However, the Blueprint executive board was able to meet. A brief update can be found below:

Outreach

The Blueprint group continues to engage with NGOs, including environmental interests and disadvantaged community groups. CSU Fresno recently secured grant funding that will be used to support stakeholder convening and the development of an engagement process related to water in the San Joaquin Valley. The Blueprint group is supportive of this effort and hope to help facilitate the process. The Blueprint group has also started discussions with state representatives about their involvement.

Finance

2020 invoices were distributed last month, special thanks to those who have provided 2020 support for the Blueprint effort. The Blueprint group recognizes the current challenges organizations are facing and will be following up about payments.

Communications

The communications and executive committees are reviewing copy for our full website. The Communications Committee will continue to refine the design elements of the website and plan to launch the redesigned website at the appropriate time. Please feel free to take a look at the current website at <https://waterblueprintca.com/>.

Policy

The Blueprint group Executive and Advocacy Subcommittee members continue to engage with the San Joaquin Valley delegation on various aspects of water policy. COVID-19 is understandably dominating most discussions.

Technical

The technical committee continues their engineering and modeling work related to water balance efforts and project development. This work will inform the second phase of Dr. Sunding's economic report.