

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY BOARD OF
DIRECTORS REGULAR MEETING
MINUTES FOR NOVEMBER 10, 2022**

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 9:30 a.m. at 842 6th Street in Los Banos, California, with Vice Chair William Bourdeau presiding.

Directors and Alternate Directors in Attendance

Division 1

Dave Weisenberger, Director
Anthea Hansen, Director
Lea Emmons, Alternate for Rick Gilmore

Division 2

Ryan Ferguson, Director
William Bourdeau, Director
Ara Azhderian, Alternate for Beau Correia

Division 3

Bill Diedrich, Director (via ZOOM)
Ric Ortega, Director

Division 4

John Varela, Director (via ZOOM)
Gary Kremen, Director (via ZOOM) - Richard Santos, Alternate (via ZOOM)
Jeff Cattaneo, Director

Division 5

Bill Pucheu, Director
Tom Birmingham, Director
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
Cathy Bento, Accountant II
Darlene Neves, Supervisor of Operational Accounting
Cindy Meyer, Special Programs Manager
Bob Martin, Facilities O&M Director
Stewart Davis, IT Officer

Others in Attendance

Mitch Partovi, Water Agency
Brandon Souza, Farm Water Coalition
Tom Boardman, Westlands Water District

Dana Jacobson, Valley Water
Don Wright, WaterWrights
Dennis Cardoza, Foley & Lardner, LLP
Bill Ball, Foley & Lardner
Kristin Olsen, Calstrat
Steve Stadler, San Luis Water District
Duane Stroup, Reclamation

1. Call to Order/Roll Call

The meeting was called to order by Vice Chair William Bourdeau and roll was called.

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

No additions or corrections.

3. Opportunity for Public Comment

No public comment.

CONSENT ITEMS

4. Agenda Items 5-7: Board to Consider: a) October 6, 2022 Meeting Minutes, c) Acceptance of the Financial & Expenditures Reports, d) Treasurer's Report, e) Staff Reports.

On a motion of Director Bill Pucheu, seconded by Director Ryan Ferguson, the Board accepted the October 6, 2022 Meeting Minutes, Financial Expenditures Reports, Treasurer's Report and Staff Reports. The vote on the motion was as follows:

AYES:	Weisenberger, Hansen, Emmons, Ferguson, Bourdeau, Azhderian, Diedrich, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

ACTION ITEMS

5. Agenda Item 8: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Resolution Authorizing Application for Extended Repayment and Funding in the Amount of \$841M from the Aging Infrastructure Account in Fiscal Year 2023 for Extraordinary Maintenance Work on Jones Pumping Plant and the Delta-Mendota Canal.

Chief Operating Officer Pablo Arroyave reviewed the memo, resolution, and the PowerPoint slides included in the packet. Arroyave reported that the PowerPoint presentation was from the October 22 Reclamation workshop, and based on the requirements outlined in the PowerPoint, the Authority is

recommending submitting an application to fund the Subsidence Correction project and the Jones Pumping Plant Excitation project. Arroyave reported that Reclamation's FY 2023 Spend Plan authorizes \$649 million from the Account through a competitive funding process with the application period open from October 3, 2022 until December 1, 2022. Arroyave reported that the Authority would seek at least a 30-year repayment term and would explore additional repayment terms with Reclamation during the application review process. Arroyave reported that any repayment contract would be brought to the Authority Board of Directors for future review and action. Arroyave reported that this item was discussed in detail during the Finance & Administration Committee (FAC) meeting, and the FAC recommended the Board of Directors approve this item.

After discussion, Director Tom Birmingham made a motion, seconded by Director Anthea Hansen, and the Board adopted the resolution authorizing application for extended repayment and funding in the amount of \$841M from the Aging Infrastructure account in Fiscal Year 2023 for extraordinary maintenance work on Jones Pumping Plant and the Delta-Mendota Canal. The vote on the motion was as follows:

AYES:	Weisenberger, Hansen, Emmons, Ferguson, Bourdeau, Azhderian, Diedrich, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

REPORT ITEMS

6. Agenda Item 9: Report on State and Federal Affairs.

Water Policy Director Scott Petersen reported that on Thursday, October 6, the U.S. Fish and Wildlife Service announced a proposed rulemaking to list the San Francisco Bay-Delta distinct population segment of longfin smelt as an endangered species under the Endangered Species Act (ESA). Petersen reported that comments are due December 7.

Petersen reported that on October 17, the Administration announced \$210 million in funding to various water storage and conveyance projects across the western United States. Petersen reported that of particular importance, the announcement included \$25 million to the Authority to pursue the B.F. Sisk Dam Raise and Reservoir Expansion Project, \$82 million for the Los Vaqueros Reservoir Expansion Phase II, and \$30 million for Sites Reservoir.

Petersen reported that the planning and budgeting process for the 2023 Farm Bill has begun, and Congressional Agriculture committees are starting to outline the next five years' spending for national conservation, food, farm and nutrition programs. Petersen reported that the Authority has begun to prepare for the next farm bill by engaging with agricultural and conservation partners and working with its members to develop priorities for the farm bill debate. Petersen reported that debate over this

next farm bill will likely include topics like policies related to agriculture and climate change, price inflation, international trade and industry consolidation. A large portion of our engagement will be devoted to the 2023 Farm Bill conservation title. Petersen reported that the upcoming farm bill will be impacted by the infusion of money from the recently passed Inflation Reduction Act's climate provisions and the Agriculture Department's own efforts to promote climate-smart land management. Petersen reported that approximately \$20 billion of IRA funds will support the Natural Resources Conservation Service's conservation programs nationally.

Dennis Cardoza and Bill Ball provided additional information on federal affairs.

Petersen reported that Governor Gavin Newsom is swapping out his chief of staff with political veteran Dana Williamson, who is set to take over from Jim DeBoo.

Petersen reported that on November 16, the Commission will hold a meeting that includes a panel discussion on Long-Term Drought: Expert Panel on Protecting Communities and Species. Panelists include Dr. Jay Lund, Justine Massey from Community Water Center, and Melissa Rohde, of Rohde Environmental Consulting.

Petersen reported that on October 20, Authority staff led a tour of key water facilities for Senators Anna Caballero and Dave Cortese, as well as a number of legislative staff from other offices in the Authority member agency legislative delegation. Petersen reported that stops included Jones Pumping Plant, DMC Subsidence, B.F. Sisk Reservoir, the San Luis National Wildlife Refuge, and the Los Banos Creek Detention Reservoir. Petersen reported that the Authority appreciates the member agency staff that participated and look forward to further developing these relationships with legislative staff.

Kristin Olsen provided additional information on state affairs.

7. **Agenda Item 10: Executive Director's Report.**

- a. **Reserved Works Application for Funding** - Executive Director Federico Barajas provided a brief summary of a letter from Reclamation relating to the reserved works application for Bipartisan Infrastructure Law (BIL) funding dated October 31, 2022. Barajas introduced Duane Stroup from Reclamation to discuss BIL funding application process. Stroup reported that a workshop relating to the reserved works application for funding that was scheduled for later today has been rescheduled for next week. Stroup provided additional information on the intent of the letter, the list of proposed reserve projects, the importance of the contractor's support, and answered questions from Board members and the public. Barajas reported that Reclamation is requesting support letters that are due by the end of the month.
- b. **Budget Workshop** - Executive Director Federico Barajas reported that there is an upcoming Budget Workshop scheduled December 14.

- c. **January Board Meeting Schedule** - Executive Director Federico Barajas reported that January Water Resources and Finance & Administration Committee meetings are scheduled for January 9, and the Board of Directors meeting is scheduled for January 12.

8. Agenda Item 11: Chief Operating Officer's Report

- a. **JPP Unit 4** – Chief Operating Officer Pablo Arroyave reported that the reassembly is almost complete, and testing is scheduled for next week.
- b. **Hyacinth** – Chief Operating Officer Pablo Arroyave reported that there are concerns regarding hyacinth showing up at the Tracy Fish Facility, and staff is on call to monitor any issues that arise.
- c. **Budget** – Chief Operating Officer Pablo Arroyave reported that the OM&R budget is out for review. Arroyave reported that staff needs to do an estimated delivery survey. Arroyave reported that at this point staff is proposing to use a 0%/10%/20% South-of-Delta Ag allocation scenario.

9. Agenda Item 12: Update on Water Operations and Forecasts

Tom Boardman reported on Shasta storage and described precipitation conditions and storage projections for next spring. Folsom storage and current refill trends were also reported.

Delta conditions were described, including rates for CVP and SWP exports and limiting constraints on additional pumping.

Boardman briefly explained storage conditions in the CVP share of San Luis Reservoir. It was noted that storage is trending lower than Reclamation's projections and the anticipated spring refill will likely be affected by lagging storage.

Responding to a question from the public, Boardman stated that absent an above normal winter, Reclamation will likely project a Shasta critical year for 2023 until at least March.

10. Agenda Item 13: Committee Reports.

- a. **Water Resources Committee** – November meeting was cancelled.
- b. **Finance & Administration Committee** – Executive Director Federico Barajas reported that the committee met and addressed agenda items.
- c. **O&M Committee** – Executive Director Federico Barajas reported that the committee met in October and addressed agenda items.

11. Agenda Item 14: Outside Agency/Organization Reports.

- a. **State and Federal Contractors Water Agency (SFCWA)**
No report.

b. Family Farm Alliance (FFA)

Report included in the packet.

c. Farm Water Coalition.

Brandon Souza reported that the MOSAC Museum will be celebrating its 1-year anniversary. Souza provided a brief reported on the Wall Street Journal Public Outreach effort.

d. Association of California Water Agencies.

Director John Varela reported that the ACWA Fall Conference is coming up in Indian Wells. November 29-December 2. Varela reported that the formation of the trustees will be announced for the Diversity Foundation.

Director Bill Diedrich reported that on November 30 there will be an international panel with guests from the Netherlands and Israel discussing Salt Water Barrier among other topics.

e. Water Blueprint for the San Joaquin Valley

Water Policy Director Scott Petersen reported that there is an upcoming Blueprint Board meeting scheduled November 16.

f. SJV CAP

Water Policy Director Scott Petersen reported that the SJV CAP Steering Committee met to discuss changes to the draft Term Sheet that was previously provided to the Board for reference. Petersen reported that a redlined version of the document is now available and is circulating amongst the various caucuses for discussion prior to a planned vote at the Plenary Group on November 22.

G. CVPWA

Director Anthea Hansen reported that the budget will be out soon.

12. Agenda Item 15: Board Member Reports.

Alternate Director Ara Azhderian reported that John Bennett will be retiring from the Panoche Water District Board of Directors.

Director Manny Amorelli reported that the hyacinth spray at the pool is working well.

13. Agenda Items 16-17: Closed Session Report.

Vice-Chair William Bourdeau adjourned the open session to address the items listed on the Closed Session Agenda at approximately 10:46 a.m. Upon return to open session at approximately 11:30 a.m., General Counsel Rebecca Akroyd stated that no reportable actions were taken.

14. Agenda Item 18: Reports Pursuant to Government Code Section 54954.2(a)(3)

No report.

15. **Agenda Item 19: Adjournment.**

The meeting was adjourned at approximately 11:31 a.m.