

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY BOARD OF
DIRECTORS REGULAR MEETING
MINUTES FOR DECEMBER 8, 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 Chair Cannon Michael presiding.

Directors and Alternate Directors in Attendance

Division 1

Dave Weisenberger, Director
Anthea Hansen, Director

Division 2

William Bourdeau, Director
Ara Azhderian, Alternate for Beau Correia
Bill Diedrich, Director

Division 3

Chris White, Alternate for Dan McCurdy (arrived during agenda item 7)
Jarrett Martin, Director (arrived during item 7)
Cannon Michael, Director
Ric Ortega, Director - Ellen Wehr, Alternate (via ZOOM)

Division 4

John Varela, Director (via ZOOM) - Aaron Baker, Alternate
Richard Santos, Alternate for Gary Kremen (via ZOOM)

Division 5

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

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer (via ZOOM)
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Scott Petersen, Water Policy Director
Ray Tarka, Director of Finance
Darlene Neves, Supervisor of Operational Accounting (via ZOOM)
Bob Martin, Facilities O&M Director (via ZOOM)
Jaime McNeil, Engineering Manager
Cheri Worthy, Executive Secretary (via ZOOM)
Karlene Cranston, Secretary (via ZOOM)
Stewart Davis, IT Officer

Others in Attendance

- Mike Wade, Farm Water Coalition
- Tom Boardman, Westlands Water District (ZOOM)
- Dana Jacobson, Valley Water
- Justin Diener, Westlands Water District
- Ross Franson, Westlands Water District
- Lea Emmons, City of Tracy
- Gary Kremen, Valley Water (via ZOOM)
- Vince Gin, Valley Water (via ZOOM)
- Vince Lucchesi, Patterson Irrigation District (via ZOOM)
- Jeff Cattaneo, San Benito County Water District (via ZOOM)
- Ed Pattison, Byron Bethany Irrigation District
- Steve Stadler, San Luis Water District

1. Call to Order/Roll Call

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

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

No additions or corrections.

3. Opportunity for Public Comment

No public comment.

CONSENT ITEMS

4. Agenda Items 4-6: Board to Consider: a) November 7, 2022 Meeting Minutes, c) Acceptance of the Financial & Expenditures Reports, e) Staff Reports.

On a motion of Director Dave Weisenberger, seconded by Director Bill Pucheu, the Board accepted the November 7, 2022 Meeting Minutes, Financial Expenditures Reports, and Staff Reports.

The vote on the motion was as follows:

- AYES: Weisenberger, Hansen, Bourdeau, Azhderian, Diedrich, Michael, Ortega, Varela, Santos, Pucheu, Birmingham, Amorelli
- NAYS: None
- ABSTENTIONS: None

ACTION ITEMS

5. Agenda Item 7: Board of Directors to Consider Resolution Adopting the 2023 Regular Meeting Calendar for the San Luis & Delta-Mendota Water Authority Board of Directors, Water Resources Committee, and Finance & Administration Committee.

Executive Director Federico Barajas reported that included in the packet is a memo regarding regular meetings of the Board of Directors, Water Resources Committee, and Finance & Administration Committee for calendar year 2023, and a Resolution for Board approval. Barajas noted the three meeting dates outside of the normal calendar dates due to holidays.

On a motion of Director Bill Diedrich, seconded by Director Anthea Hansen, the Board adopted the Resolution Adopting the 2023 Regular Meeting Calendar for the San Luis & Delta-Mendota Water Authority Board of Directors, Water Resources Committee, and Finance & Administration Committee. The vote on the motion was as follows:

AYES:	Weisenberger, Hansen, Bourdeau, Azhderian, Diedrich, White, Martin, Michael, Ortega, Varela, Santos, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

6. Agenda Item 8: Board of Directors to Consider Resolution Recognizing the Service and Contributions of Thomas W. Birmingham, General Manager of Westlands Water District.

Executive Director Federico Barajas provide a brief summary of the resolution, presented the Golden Bucket Award, and thanked long time Director Thomas Birmingham for his considerable contributions to the Authority, member agencies, and the state of California. Birmingham thanked Barajas, and briefly spoke about his many years of service, the people he has worked with over the years, and his gratitude to the Authority Board of Directors.

On a motion of Director William Bourdeau, seconded by Director Ric Ortega, the Board adopted the Resolution recognizing the Service and Contributions of Thomas W. Birmingham, General Manager of Westlands Water District. The vote on the motion was as follows:

AYES:	Weisenberger, Hansen, Bourdeau, Azhderian, Diedrich, White, Martin, Michael, Ortega, Varela, Santos, Pucheu, Amorelli
NAYS:	None
ABSTENTIONS:	Birmingham

7. Agenda Item 9: Board of Directors to Consider Water Resources Committee Recommendation Regarding Adoption of Fiscal Year 2024 Objectives.

Water Policy Director Scott Petersen reported that the proposed Fiscal Year 2024 objectives are outlined in the memo contained in the packet, but reflect the same broad objectives as the current fiscal year. Petersen reported that changes from the previous year's objectives are redlined and reflect a conversation that took place at the Water Resources Committee as part of their recommendation to the Board.

On a motion of Director Tom Birmingham, seconded by Director William Bourdeau, the Board adopted Fiscal Year 2024 Objectives. The vote on the motion was as follows:

AYES:	Weisenberger, Hansen, Bourdeau, Azhderian, Diedrich, White, Martin, Michael, Ortega, Varela, Santos, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

8. Agenda Item 10: Board of Directors to Consider Authorizing Execution of Amendment to Professional Services Agreement for DMC Subsidence Mitigation Geotechnical Exploration Work, Issuance of Notice to Proceed for Phases 2 and 3, and Expenditure of up to \$2,708,556.

Engineering Manager Jaime McNeil reported that last year, staff approached the Board with a three-phased geotechnical exploration program to collect preliminary data to inform the Feasibility Study alternatives. McNeil reported that on May 6, 2021, the Board of Directors authorized the Chief Operating Officer to execute a Professional Services Agreement with Terracon, issue a notice to proceed for Phase 1 work, and file a notice of exemption for the geotechnical work under the California Environmental Quality Act. McNeil reported that Terracon completed Phase 1 work on time and under budget, and worked diligently with Reclamation and Authority staff to streamline information sharing. McNeil reported that as a result of data gathered and lessons learned during Phase 1, staff is proposing an amendment to the current Professional Services Agreement to include certain modifications to Phases 2 and 3 as allowed per Section 10.0 of Exhibit A (Scope of Services) to the current agreement. McNeil reported that the modifications are within the general scope of work currently in the contract but involve adjustments to obtain more complete information. McNeil reported that modifications include adjustments to sampling depths, testing plan submittal requirements, soil sample storage containers, and the addition of test pits and associated soil testing as a part of Phase 3. McNeil reported that the test pit locations are within the existing project boundaries established in Phase 1 and utilize the established labor and testing rates. McNeil reported that in addition, although original agreement language envisioned separate notices to proceed for Phases 2 and 3, staff now proposes to issue notices to proceed for Phases 2 and 3 concurrently to allow the work to be done in the most efficient and effective manner. McNeil reported that Terracon has demonstrated an ability to perform the work concurrently and critical time will be saved by issuing a notice to proceed for both Phases 2 and 3. McNeil reported that the budget is within the grant amount staff anticipates receiving from Reclamation.

On a motion of Director Ric Ortega, seconded by Alternate Director Ara Azhderian, the Board authorized the execution of amendment to Professional Services Agreement for DMC Subsidence Mitigation Geotechnical Exploration Work, Issuance of Notice to proceed for Phases 2 and 3, and expenditure of up to \$2,708,556. The vote on the motion was as follows:

AYES: Weisenberger, Hansen, Bourdeau, Azhderian, Diedrich, White, Martin, Michael, Ortega, Varela, Santos, Pucheu, Birmingham, Amorelli

NAYS: None

ABSTENTIONS: None

9. Agenda Item 11: Board of Directors to Consider Authorizing Los Vaqueros Reservoir Expansion Project Activity Agreement Expenditure of up to \$1,094,000 in FY23 to Fund Amendment No. 4 to the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning.

Chief Operating Officer Pablo Arroyave reported that Contra Costa Water District identified an additional scope of work and the various Local Agency Partners (LAPs) executed Amendments Nos. 2 and 3 to fund additional work. Arroyave reported that the proposed Amendment No. 4 would fund three major tasks: project management, environmental planning, and engineering feasibility. Arroyave reported that the total cost associated with Amendment No. 4 is \$7,658,000, with each of the 7 LAPs paying \$1,094,000. Arroyave reported that because the Authority’s share is divided equally among its Activity Agreement members, each Activity Agreement member’s cost share will be \$218,800. Arroyave reported that all the Activity Agreement members have approved the execution of Amendment No. 4. Arroyave reported that the amount due will be invoiced in January 2023, in the current FY23. Arroyave reported that since the funds necessary to support Amendment No. 4 were not included in the FY23 Activity Budget, it is necessary to have the Board authorize the additional expenditure of up to \$1,094,000.

On a motion of Director Ara Azhderian, seconded by Alternate Director Bill Pucheu, the Board authorized the Los Vaqueros Reservoir Expansion Project Activity Agreement expenditure of up to \$1,094,000 in FY23 to Fund Amendment No. 4 to the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning. The vote on the motion was as follows:

AYES: Weisenberger, Hansen, Bourdeau, Azhderian, Diedrich, White, Martin, Michael, Ortega, Varela, Santos, Pucheu, Birmingham, Amorelli

NAYS: None

ABSTENTIONS: None

REPORT ITEMS

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

Water Policy Director Scott Petersen reported the Council on Environmental Quality has released the first formal version of its Climate & Economic Justice Screening Tool (CEJST), which increases the number of communities eligible for funding under the Biden Administration’s Justice40 initiative to 27,251, nearly 4,000 over a beta version of the mapping tool. Petersen reported that the November 22 release of CEJST “Version 1.0” means that federal agencies may now use it to identify

disadvantaged communities eligible for Justice40 dollars, including under the bipartisan infrastructure law and Inflation Reduction Act.

Petersen reported that on 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 Longfin smelt are currently listed as a threatened species under California's Endangered Species Act, which prohibits unpermitted possession, purchase, sale or take of listed species. Petersen reported that the state's definition of take does not include harm, which under the federal ESA can include destruction of habitat. Petersen reported that the Authority joined in a letter with the State Water Contractors pointing out deficiencies in the science used to support the proposed listing of the longfin smelt distinct population segment as endangered.

Petersen reported that yesterday, a group of 15 bipartisan senators, including both California Senators, sent a letter asking Agriculture Secretary Tom Vilsack to make sure their farmers and ranchers don't get left out of the new conservation funding from the Infrastructure, Investment, and Job act and the bipartisan infrastructure bill. Petersen reported that in a letter to Vilsack, the lawmakers argue that many of the department's programs don't translate well to Western agriculture, and that "more creative and tailored solutions", as well as, more staff with expertise in Western water conservation are needed.

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. Petersen reported that a large portion of our engagement will be devoted to the 2023 Farm Bill conservation title.

Dennis Cardoza provided additional information on federal affairs.

Petersen reported that the Draft Environmental Impact Report (EIR) for the Delta Conveyance Project was released for public review and comment on July 27, 2022. On September 23, the Department of Water resources (DWR) announced that the comment period has been extended, by request. Petersen reported that the new end date for the comment period is Friday, December 16, 2022.

Petersen reported that the Systemwide Action Team and other workgroups continue to meet to advance the Voluntary Agreement program. Petersen reported that recent developments include an announcement that in September and November, four more agencies (Contra Costa Water District, San Francisco Public Utilities Commission, Turlock Irrigation District and Modesto Irrigation District) have signed onto the VA MOU. Petersen reported that work continues to develop the working documents

associated with execution and implementation of the VA's and workgroups for participating agencies have been formed, with the recent formation of a VA Science Workgroup to develop the framework of the VA's proposed Science program.

Petersen reported that yesterday, Assembly Budget Chair Phil Ting laid out the chamber's budget priorities for 2023, including its aim to preserve funding boosts for education, infrastructure and social services. Petersen reported that it includes a \$54 billion climate package over 6 years, including drought resiliency.

Kristin Olsen provided additional information on state affairs.

11. Agenda Item 13: Executive Director's Report.

- a. **Budget Workshop-** Executive Director Federico Barajas reminded the Board of the upcoming Budget Workshop scheduled to take place on December 14.

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

- a. **BIL Infrastructure Funding** – Chief Operating Officer Pablo Arroyave reported that the funding applications for the DMC Subsidence Correction Project and the JPP Excitation Project were submitted to Reclamation last week. Arroyave reported that for the JPP Excitation project application, the Authority used a revised project cost estimate of \$25 million provided by Reclamation's Technical Service Center.
- b. **Yuba Water** – Arroyave reported that the total water for Authority membership was 38,379 af.
- c. **2023 Delivery Information** – Arroyave reported that district responses to the 2023 delivery schedules need to be received by December 13.
- d. **JPP Unit 4** – Chief Operating Officer Pablo Arroyave reported that the reassembly is complete, and they are moving onto Unit 3.

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

Westlands Water District's Tom Boardman reported on Shasta storage conditions and Reclamation's latest refill projection for the 2023 spring. Folsom storage conditions were also noted along with accumulated snowpack levels.

Current export rates were reported in addition to Delta conditions limiting higher exports and near term expected increases to Delta inflow from an approaching storm system. Boardman's explanation of the elevated river flows included the details of how exports could be curtailed by the requirements of the 2019 Biological Opinion for delta smelt. Boardman responded to Board questions during his

presentation.

Current accounting for the Coordinated Operations Agreement was noted followed by a brief status report on CVP San Luis storage and refill projections.

14. **Agenda Item 16: Committee Reports.**

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

15. **Agenda Item 17: Outside Agency/Organization Reports.**

- a. **State and Federal Contractors Water Agency (SFCWA)** – No report.
- b. **Family Farm Alliance (FFA)** – Report included in the packet.
- c. **Farm Water Coalition** – Mike Wade provided a brief report on the history of the Farm Water Coalition, and changes that have occurred over the years. Director Bill Diedrich commented on budget support.
- d. **Association of California Water Agencies** - Director John Varela reported **on the ACWA Fall Conference**. General Counsel Rebecca Akroyd provided a brief report on Legal Affairs.
- e. **Water Blueprint for the San Joaquin Valley** - Water Policy Director Scott Petersen reported that next meeting is in January.
- f. **SJV CAP** - Water Policy Director Scott Petersen reported the CAP Plenary Group met on November 22, with focus being placed on approval of a revised Term Sheet, which, if approved, will allow for the CAP to advance to Phase II. Petersen reported that during that meeting, the CAP Plenary Group adopted the revised Term Sheet, and the Steering Committee is meeting this month to begin discussions focused on Phase 2. Petersen reported that the Packard Foundation approved a \$750,000 grant to the CAP to advance the Phase 2 project and product development.
- G. **CVPWA** – No report.

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

No reports.

17. **Agenda Items 19-20: Closed Session Report.**

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 10:57 a.m. Upon return to open session at approximately 11:40 a.m.,

Chair Cannon Michael stated that no reportable actions were taken.

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

No report.

19. **Agenda Item 22: Adjournment.**

The meeting was adjourned at approximately 11:40 a.m.