

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY BOARD OF
DIRECTORS REGULAR MEETING
MINUTES FEBRUARY 9, 2023**

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
Bobby Pierce, Director
Anthea Hansen, Director
Lea Emmons, Alternate

Division 2

Ross Franson, Director
William Bourdeau, Director
Beau Correia, Director
Bill Diedrich, Director

Division 3

Chris White, Alternate for Dan McCurdy
Jarrett Martin, Director
Cannon Michael, Director
Ric Ortega, Director

Division 4

John Varela, Director
Richard Santos, Alternate - Jim Beall, Alternate
Steve Wittry, Director
Joe Tonascia, Director - Joyce Machado, Alternate

Division 5

Bill Pucheu, 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
Darlene Neves, Supervisor of Operational Accounting (via ZOOM)
Laures Stiles, HR Director
Cheri Worthy, Executive Secretary (via ZOOM)
Stewart Davis, IT Officer

Others in Attendance

Mike Wade, Farm Water Coalition (via ZOOM)

Tom Boardman, Westlands Water District (via ZOOM)
 Dana Jacobson, Valley Water
 Ellen Wehr, Grasslands Water District (via ZOOM)
 Vince Gin, Valley Water
 Ed Pattison, Byron Bethany Irrigation District
 Chase Hurley, Pacheco Water District
 Sarah Woolf, Water Wise
 Mitch Partovi, Water Agency
 Dennis Cardoza, Foley & Lardner, LLP (via ZOOM)
 Bill Ball, Foley, Foley & Lardner, LLP (via ZOOM)
 Kristin Olsen, Calstrat (via ZOOM)
 Steve Stadler, San Luis Water District (via ZOOM)
 John Wiersma, Henry Miller Reclamation District
 Don Wright, Water Wrights (via ZOOM)

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 reports.

CONSENT ITEMS

4. Agenda Items 4-7: Board to Consider: a) January 12, 2023 Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Treasurer’s Report, d) Staff Reports.

On a motion of Director John Varela, seconded by Director Richard Santos, the Board accepted the January 12, 2023 Meeting Minutes, Financial Expenditures Reports, Treasurer’s Report, and Staff Reports. The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Emmons, Franson, Bourdeau, Correia, Diedrich, White, Jarrett Martin, Michael, Ortega, Varela, Santos, Wittry, Tonascia, Pucheu, Amorelli
NAYS:	None
ABSTENTIONS:	None

ACTION ITEMS

5. Agenda Item 8: Board of Directors to Consider Finance & Administration Committee

Recommendation Regarding Appointment of Representatives to Association of California Water Agencies – Joint Powers Insurance Authority (ACWA-JPIA) Board of Directors.

Executive Director Federico Barajas reviewed the memo included in the packet. Barajas reported that director and alternate positions were open for the ACWA-JPIA Board. Barajas reported that the Finance & Administration Committee recommends Director Beau Correia to serve as the ACWA-JPIA Director and Director of Human Resources & Administration Laures Stiles to serve as the Alternate.

On a motion of Director Richard Santos, seconded by Director John Varela, the Board appointed Director Beau Correia and Director of Human Resources & Administration Laures Stiles to serve as representatives to ACWA-JPIA Board of Directors. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Hansen, Emmons, Franson, Bourdeau, Correia, Diedrich, White, Jarrett Martin, Michael, Ortega, Varela, Santos, Wittry, Tonascia, Pucheu, Amorelli
- NAYS: None
- ABSTENTIONS: None

6. Agenda Item 9: Board of Directors to Consider Water Resources Committee Regarding Adoption of Staff Recommendation for Positions on Legislation.

- a. **H.R. 186 (McClintock), Water Supply Permitting Coordination Act** –Water Policy Director Scott Petersen reported that H.R. 186 would establish Reclamation as the lead agency for permit processing for water storage projects on federal lands owned by the Departments of Interior or Agriculture. Staff recommend a support position.
- b. **A.B. 30 (Ward), Atmospheric Rivers Research Mitigation, and Climate Forecasting Program** – Water Policy Director Scott Petersen reported that this bill would improve atmospheric river research and the improved forecasting enabled by that research has the potential to improve reservoir operations and flood protection. Staff recommended a support position.
- c. **A.B. 62 (Mathis), Statewide Water Storage Expansion-** Water Policy Director Scott Petersen reported that the bill, if enacted, would establish a statewide goal to increase water storage capacity by 3.7 million acre-feet by 2030 and 4 million acre-feet by 2040. Staff recommend a favor if amended position.

On a motion of Director Beau Correia, seconded by Alternate Director Lea Emmons, the Board adopted the staff recommendation for positions on legislation. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Hansen, Emmons, Franson, Bourdeau, Correia, Diedrich, White, Jarrett Martin, Michael, Ortega, Varela, Santos, Wittry, Tonascia, Pucheu, Amorelli
- NAYS: None

ABSTENTIONS: None

7. Agenda Item 10: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Water Year 2023 OM&R Water Rates.

Chief Operating Officer Pablo Arroyave introduced the item and reviewed the memo included in the packet. Arroyave explained the analysis of rates and the rate calculation methodology. Arroyave reported that the Finance & Administration Committee recommends adopting Water Year 2023 OM&R rates based on a 10% allocation, using the current rate setting methodology. Arroyave reported that with current methodology the Authority would possibly review rates at a later date. Director of Finance Raymond Tarka provided further detail on the 5% and 10% rate calculations based on survey information. Staff also discussed a 15% rate calculation, and provide a 15% handout comparison for review.

Finance & Administration Committee (FAC) Chair Anthea Hansen noted that the FAC will have discussion regarding rate calculation and rate setting methodology going forward.

On a motion of Director Bill Pucheu, seconded by Director Richard Santos, the Board approved 10% OM&R Water Rate. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Hansen, Emmons, Franson, Correia, Diedrich, White, Jarrett Martin, Michael, Ortega, Varela, Santos, Wittry, Tonascia, Pucheu, Amorelli
- NAYS: Bourdeau
- ABSTENTIONS: None

REPORT ITEMS

8. Agenda Item 11: Report on State and Federal Affairs.

Water Policy Director Scott Petersen reported that President Joe Biden has announced that Jeff Zients is his next chief of staff.

Petersen reported that Bureau of Reclamation WaterSMART Grant Application is open. Petersen requested that Board members let Authority staff know if they plan on applying for those so staff can appropriately engage in those efforts.

Dennis Cardoza provided additional information on federal affairs. Cardoza reported that they will be at ACWA.

Bill Ball provided additional information on Federal affairs including the upcoming World Ag Conference.

Petersen reported that DWR has established an interagency task force, that will include members of the public, to help prepare for drought conditions. Petersen reported that the Drought Resilience Interagency and Partners (DRIP) Collaborative will develop partnerships among government agencies,

experts, and community representatives to address drought-planning issues. Petersen noted that those interested in joining the DRIP Collaborative must fill out an interest form by Friday, Feb. 24.

Kristin Olsen provided additional information on state affairs.

9. Agenda Item 12: Executive Director’s Report.

- a. **Audit/Auditor Discussion**- Executive Director Federico Barajas referred to Director of Finance Raymond Tarka to update the Board on the Authority’s upcoming audit actions. Tarka stated that currently the Authority is engaged with Richardson and Company, LLP to complete the annual audit. Tarka reported that this was a three-year contract with the option of a two-year extension for a total of five years ending with fiscal year 2022. Tarka reported that state law allows you to use the same auditors for six years before needing to change audit leads. Tarka reported that staff is looking for guidance if the Authority should request a sixth-year with the same auditor and a ‘not to exceed’ amount for the fiscal year 2023 audit. Barajas reported that the Finance & Administrative Committee provided direction to pursue a sixth-year with Richardson and Company, LLP.
- b. **Delta-Mendota Canal Subsidence Correction Project Update** – Executive Director Federico Barajas reported that the Water Authority and U.S. Bureau of Reclamation are planning to issue an EA/IS for the project next week, with a 30-day public review. Barajas reported that the feasibility process is still underway.
- c. **Strategic Plan Update** - Executive Director Federico Barajas reported that there is a placeholder in the FY 2024 Budget to update the Authority’s Strategic Plan. Barajas reported the he is initiating dialog with Martin Rauch, the consultant that the Authority worked with to develop existing Strategic Plan, and is hoping to have the first workshop late March or early April. Barajas reported that Martin Rauch will reach out and conduct individual interviews with member agencies before the workshop.

Chair Cannon Michael also reported that staff held a New Board Member Orientation, and the “New Board Member Orientation Packet” is available.

10. Agenda Item 13: Chief Operating Officer’s Report

Chief Operating Officer Pablo Arroyave reported that Jones Pumping Plant (JPP) received a change order from the Bureau of Reclamation to go to 5-units, and due to trash/debris at the fish screen they had to go back down to 4-units. Arroyave reported that JPP should go back to a 5 –unit operation today.

Arroyave reported that they are one month into the final rewind at Jones Pumping Plant, and the unit should be back online in August.

Arroyave reported that staff will be exploring solutions for the trash/debris problem. Executive Director Federico Barajas reported that he will initiate conversation with the Bureau regarding a long-term fix.

II. Agenda Item 14: Update on Water Operations and Forecasts

Westlands Water District's Tom Boardman reported on Shasta storage and stated how recent dry conditions are affecting reservoir inflow. The snowpack status was reported in addition to a brief mention that DWR's recently posted B120 report shows that a Shasta critical year will not be triggered. Folsom storage conditions were also reported including snowpack conditions.

Delta conditions were discussed including current export pumping rates and outflow requirements.

Current and near-term San Luis storage were reported followed by refill projections under dry and median conditions. A brief discussion of possible allocations also occurred.

Responding to questions from various Directors and Authority staff, Boardman discussed operations to meet near-term outflow requirements, the COA accounting balance, water quality issues, and estimated rescheduled water stored in CVP San Luis.

12. Agenda Item 15: Committee Reports.

- a. **Water Resources Committee** – Chair William Bourdeau reported that the committee met and addressed agenda items, including a presentation regarding environmentally friendly diversions.
- b. **Finance & Administration Committee** – Chair Anthea Hansen reported that the committee met and addressed agenda items.
- c. **O&M Committee** – No report.

13. Agenda Item 16: Outside Agency/Organization Reports.

- a. **State and Federal Contractors Water Agency (SFCWA)** – Executive Director Federico Barajas reported that there is an upcoming meeting next week.
- b. **Family Farm Alliance (FFA)** – Report included in the packet. Director William Bourdeau reported that the FFA Conference is coming up February 21-24, 2023 in Reno.
- c. **Farm Water Coalition** – Mike Wade reported that they are currently working on a piece regarding January storms, export units, and potential outflow requirements.
- d. **Association of California Water Agencies** - Director John Varela reported that Region 5 discussed forming a coalition of regions similar to a joint powers authority. Varela reported that Spring Conference is May 9-11, 2023 in Monterey.

Director William Bourdeau reported that the Ag Committee is interested in having a panel regarding recharge.

- e. **Water Blueprint for the San Joaquin Valley (WBSJV)** - Water Policy Director Scott Petersen reported that the WBSJV Board meeting will held next Wednesday.
- f. **SJV CAP** - Water Policy Director Scott Petersen reported that 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 met this week to begin discussions focused on Phase 2 and the governance structure. 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.

14. Agenda Item 17: Board Member Reports.

Chair Cannon Michael pointed out new graphs included in the Treasurer’s Report, and asked for feedback regarding additional improvements.

15. Agenda Items 18-19: Closed Session Report.

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:22 a.m. Upon return to open session at approximately 12:24 p.m., Chair Cannon Michael stated that no reportable actions were taken.

16. Agenda Item 20: Reports Pursuant to Government Code Section 54954.2(a)(3)

No report.

17. Agenda Item 21: Adjournment.

The meeting was adjourned at approximately 12:25 p.m.