

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY BOARD OF
DIRECTORS REGULAR MEETING
MINUTES APRIL 6, 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
Ed Pattison, Director - Lea Emmons, Alternate

Division 2

Ross Franson, Director
William Bourdeau, Director
Beau Correia, Director - Ara Azhderian, Alternate

Division 3

Chris White, Alternate for Dan McCurdy
Jarrett Martin, Director
Cannon Michael, Director
Ellen Wehr, Alternate for Rick Gilmore

Division 4

John Varela, Director - Aaron Baker, Alternate
Jim Beall, Alternate for Richard Santos
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
Ray Tarka, Director of Finance
Bob Martin, Facilities O&M Director (via ZOOM)
Cindy Meyer, Special Programs Manager (via ZOOM)
Stewart Davis, IT Officer

Others in Attendance

Mike Wade, Farm Water Coalition (via ZOOM)
Dana Jacobson, Valley Water

Vince Gin, Valley Water
 Chase Hurley, Pacheco Water District
 Dennis Cardoza, Foley & Lardner, LLP (via ZOOM)
 Bill Ball, Foley, Foley & Lardner, LLP (via ZOOM)
 Kristin Olsen, Calstrat (via ZOOM)
 Kevin Assemi, Westlands Water District
 Russ Freeman, Westlands Water District (via ZOOM)
 Steve Stadler, San Luis Water District
 Sarah Woolf, Water Wise

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.

Item 17 was moved up to Item 4.

3. Opportunity for Public Comment

No public comment.

4. Agenda Item 17: Board Member Reports

Alternate Director Ara Azhderian announced that he was leaving Panoche Water District for a new position with Monterey County Water Resources Agency beginning April 24, 2023, and was thanked for his service.

CONSENT ITEMS

5. Agenda Items 4-6: Board to Consider: a) March 9, 2023 Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Staff Reports.

On a motion of Director Joe Tonascia, seconded by Director William Bourdeau, the Board accepted the March 9, 2023 Meeting Minutes, Financial Expenditures Reports, and Staff Reports. The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Pattison, Franson, Bourdeau, Correia, White, Jarrett Martin, Michael, Wehr, Varela, Beall, Wittry, Tonascia, Pucheu, Amorelli
NAYS:	None
ABSTENTIONS:	None

ACTION ITEMS

6. Agenda Item 7: Board of Directors to Consider Water Resources Committee Regarding Adoption of Staff Recommendation for Positions on the following Legislation:

- a. SB 366 (Caballero), The California Water Plan: long-term supply targets
- b. AB 422 (Alanis), Natural Resources Agency: statewide water storage tracking
- c. AB 557 (Hart), Open meetings: local agencies: teleconferences
- d. AB 735 (Berman), Workforce development: utility careers
- e. AB 460 (Bauer-Kahan), State Water Resources Control Board: interim relief
- f. AB 676 (Bennett), Water: general state policy
- g. AB 1337 (Wicks), State Water Resources Control Board: water shortage enforcement
- h. SB 389 (Allen), State Water Resources Control Board: determination of water right

On a motion of Alternate Director Chris White, seconded by Director John Varela, the Board adopted the staff-recommended support and favor positions on legislation (SB 366 - Support, AB 422, 735, 557 - Favor). The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Pattison, Franson, Bourdeau, Correia, White, Jarrett Martin, Michael, Wehr, Varela, Beall, Wittry, Tonascia, Pucheu, Amorelli
NAYS:	None
ABSTENTIONS:	None

On a motion of Alternate Director Chris White, seconded by Director John Varela, the Board adopted the staff-recommended oppose positions on legislation (AB 460, 676, 1337, SB 389 - Oppose). The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Pattison, Franson, Bourdeau, Correia, White, Jarrett Martin, Michael, Wehr, Varela, Wittry, Tonascia, Pucheu, Amorelli
NAYS:	None
ABSTENTIONS:	Beall

7. Agenda Item 8: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Ratification of Purchase of Front End Loader and Related Expenditure of \$217,662 from FY24 EO&M Budget.

Chief Operating Officer Pablo Arroyave reported that the Fiscal Year 2024 EO&M Budget adopted by the Authority Board of Directors in January 2023 includes funds (\$231,750) for the purchase of a front end loader. Arroyave reported that staff utilized cooperative purchasing agreement procurement through Sourcewell to obtain quotes from John Deere (\$217,662) and Caterpillar (\$247,336). Arroyave reported that all Sourcewell contracts have been previously competitively solicited. Arroyave reported that the John

Deere product was chosen because it met all of the requirements of the Authority and was priced lower than the Caterpillar option.

On a motion of Director John Varela, seconded by Alternate Director Bill Pucheu, the Board approved ratification of purchase of Front End Loader and related expenditure of \$217,662 from FY24 EO&M Budget. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Hansen, Pattison, Franson, Bourdeau, Correia, White, Jarrett Martin, Michael, Wehr, Varela, Beall, Wittry, Tonascia, Pucheu, Amorelli
- NAYS: None
- ABSTENTIONS: None

8. Agenda Item 9: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Authorization to Purchase of Dump Truck and Related Expenditure of Up To \$230,000 from EO&M Budgets.

Chief Operating Officer Pablo Arroyave reported that the acquisition of heavy equipment and vehicles for the Authority has become increasingly difficult due to supply chain issues and the prices of equipment have increased between 20% to 30%. Arroyave reported that during FY23, Authority staff made several attempts to enter into a contract with vendors for the purchase of a dump truck, however, staff was advised on several occasions that there was no availability due to supply chain issues. Arroyave reported that in March 2023, one of the Authority’s regular vendors notified staff that they had a model year 2024 dump truck available with government pricing discounts; the total price is approximately \$227,000, which is approximately \$42,000 (23%) over the projected and budgeted cost of \$185,000. Arroyave reported that although the anticipated expenditure represents an increase of \$42,000 over the budgeted line item, there will be no impact to the overall FY24 EO&M budget. Arroyave reported that the increase will be paid for using unused EO&M funds collected for heavy equipment and vehicle purchases over the last 3 fiscal years. Staff responded to questions regarding used versus new equipment purchases and EO&M funds.

On a motion of Director Anthea Hansen, seconded by Director Dave Weisenberger, the Board authorized purchase of Dump Truck and related expenditure of Up To \$230,000 from EO&M budgets with an amendment to search for a used dump truck if possible. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Hansen, Pattison, Franson, Bourdeau, White, Jarrett Martin, Michael, Wehr, Varela, Beall, Wittry, Tonascia, Pucheu, Amorelli
- NAYS: Correia
- ABSTENTIONS: None

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

Executive Director Federico Barajas reviewed the memo included in the packet. Barajas reported that on March 28, Reclamation increased allocations to agricultural contractors from 35% to 80%. Barajas reported that since this was a significant increase, staff presented two options to the Finance & Administration Committee and the Committee is recommending approval of second adjustment to Water Year 2023 OM&R Water Rates using the 80% Ag allocation. Finance Director Ray Tarka reviewed the second revised WY2023 OM&R water rates as calculated on the 80% Ag allocation, 100% M&I allocation applied retroactively to deliveries made on or after March 1, 2023. Barajas noted that the anticipated Ag increase in April would not have a drastic impact on water rates.

On a motion of Director William Bourdeau, seconded by Director Beau Correia, the Board approved the second adjustment to the OM&R Water Rates. The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Pattison, Franson, Bourdeau, Correia, White, Jarrett Martin, Michael, Wehr, Varela, Beall, Wittry, Tonascia, Pucheu, Amorelli
NAYS:	None
ABSTENTIONS:	None

REPORT ITEMS

10. **Agenda Item II: Report on State and Federal Affairs.**

Water Policy Director Scott Petersen reported that staff is currently working on the development of a second education and advocacy trip to Washington, DC, and are targeting June for this trip. Petersen reported that the Authority is planning to incorporate member agencies in this trip and please reach out if your agency is interested in coordinating/participating for this trip.

Petersen reported that President Joe Biden last month released his FY 2024 \$6.9 trillion budget request that seeks a 3.3% increase in defense spending and a 6.5% increase for nondefense discretionary programs, requesting increases for most major departments and agencies. Petersen reported that Reclamation has requested a \$1.7 billion budget for FY 2024. Petersen reported that Reclamation's budget request includes \$200.3 million to fund long-term, comprehensive water supply solutions for farmers, families, and communities in California.

Petersen reported that the Biden Administration sent a proposed rule determining how federal agencies manage the ESA, from listing decisions to critical habitat designations, to the White House Office of Information and Regulatory Affairs for their review last month.

Petersen reported FWS recently published a proposed rule on Endangered and Threatened Wildlife and Plants; Enhancement of Survival and Incidental Take Permits. Petersen reported that the intent is to promote species conservation through voluntary agreements and make the process clearer, easier and more efficient. Petersen reported that comments are due April 10, and Authority staff worked in coordination with external stakeholders through coalitions to ensure that member agency interests

were incorporated.

Petersen reported that on March 28, the House Subcommittee on Water, Wildlife and Fisheries held an oversight hearing titled, “Why We Need to Store More Water and what’s stopping us?”, with the Authority’s Vice Chair William Bourdeau providing testimony related to multi-purpose water managed and the necessity of water storage and conveyance in increasing resilience to the cycles of drought and flooding that Authority members have experienced. Petersen thanked Vice Chair Bourdeau for making himself available on short notice and also provide thanks to Westlands for their work assisting with testimony preparation and ongoing coordination.

Petersen reported that there will be a field legislative hearing at the Tulare World Ag Expo at 2:00 p.m. on April 11, 2023 on H.R. 215, the Water for California Act, and H.R. 872, the FISH Act.

Petersen reported that Appropriations hearings have begun with the release of the President’s budget request. Petersen reported that Community Project Funding (earmark) and programmatic funding and language requests have predominantly closed. Petersen reported that staff worked with our partners and the Authority delegation to put a few pieces in play related to canal subsidence correction funding, as well as coordinating with various member agencies on community project funding requests.

Bill Ball provided additional information on federal affairs.

Petersen reported that Jay Ziegler was announced as the new Delta Watermaster, and began his new position on April 3, 2023.

Petersen reported that California tax withholdings took another hit in March, falling \$450 million short of the Department of Finance’s January budget forecast, and are now \$2.2 billion below projections since January, according to numbers analyzed by the Legislative Analyst’s Office Tuesday.

Petersen reported that on April 4, the SWRCB announced that all orders imposing water right curtailment and reporting requirements issued pursuant to the emergency curtailment and reporting regulation for the Sacramento-San Joaquin Delta watershed are rescinded.

Petersen reported that last week, the Department of Water Resources held a workshop on the California Water Plan Update 2023. Petersen reported that the March 29 workshop provided a public forum on the draft chapter content for Update 2023. Petersen reported that the posted materials include a workbook with summaries of each chapter. Petersen reported that comments on the draft chapter content can be emailed to the California Water Plan team through Wednesday, April 12.

Petersen reported that the State Legislature’s policy committees are now in full swing taking up the more than 2,600 bills introduced in 2023. Petersen reported that Authority staff and consultants continue to analyze, track, and educate policymakers about legislation.

Kristin Olsen provided additional information on state affairs.

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

- a. ACWA/JPIA- Executive Director Federico Barajas reported that there will not be an

ACWA/JPIA refund check this year, and that a memo from the JPIA is included in the packet with more information.

- b. **Strategic Plan Update** – Executive Director Federico Barajas reminded Board members to make sure to schedule their interviews with Martin Rauch before the upcoming Strategic Plan Workshop later this month.
- c. **Rate Setting Discussion** – Executive Director Federico Barajas reported that minimum participation discussions are continuing to occur during the Finance & Administration Committee meetings.
- d. **New Board Member Tour** – Executive Director Federico Barajas reported that staff is coordinating a new board member tour in the coming weeks.

12. **Agenda Item 13: Chief Operating Officer’s Report**

Chief Operating Officer Pablo Arroyave reported staff continues to work with our upper DMC partners to reduce, and hopefully eliminate sending any additional water into the Mendota Pool.

Arroyave reported that the last Jones Pumping Plant rewind is expected to be completed by July 8, 2023.

Arroyave reported that on Tuesday the Authority hosted Arvin-Edison on a tour of the pumping plants.

13. **Agenda Item 14: Update on Water Operations and Forecasts**

Chief Operating Officer Pablo Arroyave introduced Liz Kiteck from the Central Valley Operations Office (CVO) of the Bureau of Reclamation to provide an overview of CVP water operations and the latest forecasts. Kiteck stated that despite low storage levels at Trinity Reservoir, the water year type per the Trinity Record of Decision is trending above normal to wet. Based on recent inflow, it now appears Shasta Reservoir will get close to filling and American River releases are holding steady at 7,000 cfs. With the continuation of strong storms throughout March, snowpack remains extremely high throughout the state. Specifically, March precipitation was 200% of normal in the northern Sierra, 240% of normal in the central Sierra and 300% of normal in the southern Sierra. Kiteck further reported that New Melones Reservoir is expected to approach 2MAF of storage and San Luis reservoir is full as of today. JPP is at 2-units and will be adjusted as needed to meet upper DMC demands and to keep San Luis Reservoir full as long as possible, which is expected to be possibly throughout May. Kiteck does not see any temperature concerns either in the Sacramento or American Rivers and sees no need for temperature-based flow restrictions. Lastly, Kiteck stated that updated allocations and forecasts were expected before the end of April.

14. Agenda Item 15: Committee Reports.

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

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

- a. **State and Federal Contractors Water Agency (SFCWA)** – Executive Director Federico Barajas reported that the next SFCWA meeting has been postponed from April to June 2023. Barajas reported that the Authority is looking for an additional SFCWA representative.
- b. **Family Farm Alliance (FFA)** – Report included in the packet.
- c. **Farm Water Coalition** – Mike Wade reported that they are taking part in an ACWA Water Rights Legislation Workgroup, and discussed the “California Water For All” campaign.
- d. **Association of California Water Agencies** – Director John Varela reported that the DEI Foundation has been formed. Director Jim Beall provide a brief update on an apprenticeship scheme.
- e. **Water Blueprint for the San Joaquin Valley (WBSJV)** - Water Policy Director Scott Petersen reported that the Blueprint Board met on February 15, 2023, approving the execution of a contract with the Hallmark Group for association management services and authorizing the Communications Committee to work with the Advocacy Committee to develop a Communications Plan to guide communications for the organization.
- f. **SJV CAP** - Water Policy Director Scott Petersen reported that on April 4, 2023, around 30 members of CAP participated in a tour of various projects on the west side of the Valley, hearing from various representatives about the importance of multi-agency collaboration, the interactions between surface and groundwater storage and why both are necessary components of solutions to address groundwater overdraft for this region, and about the distinct geological differences between the west side and other portions of the Valley. Petersen expressed special appreciation to the Exchange Contractors, Grasslands, San Luis and Del Puerto Water Districts, and Bowles Farming for their participation at various stops along the tour.
- g. **CVPWA** – Director Anthea Hansen reported that CVPWA sent a formal letter to the Regional Director requesting reengagement on reconciliation of CVPIA activity funds. Hansen reported they held a workshop with the Regional Director present on March 22, 2023.

16. **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 11:03 a.m. Upon return to open session at approximately 11:59 a.m., Chair Cannon Michael stated that no reportable actions were taken.

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

No report.

18. **Agenda Item 21: Adjournment.**

The meeting was adjourned at approximately 12:00 p.m.