

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
MINUTES FOR April 6, 2017**

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 for a regular meeting, with Chairperson Cannon Michael presiding.

**Directors and Alternate Directors in Attendance**

**Division 1**

Jim McLeod, Director - David Weisenberger, Alternate  
Anthea Hansen, Director  
Rick Gilmore, Director - Marc Vanden, Alternate

**Division 2**

Don Peracchi, Director  
Sarah Woolf, Director  
John Bennett, Director  
William Diedrich, Director

**Division 3**

Jeff Bryant, Alternate for Michael Stearns  
Chris White, Alternate for James O'Banion  
Cannon Michael, Director - Randy Houk, Alternate  
Ric Ortega, Director - Mike Gardner, Alternate

**Division 4**

John Varela, Director - Garth Hall, Alternate  
Gary Kremen, Director  
Jeff Cattaneo, Alternate for John Tobias

**Division 5**

Bill Pucheu, Director  
Thomas Birmingham, Director - Jose Gutierrez, Alternate  
Steve Stadler, Director - Thomas W. Chaney, Alternate

**Authority Representatives Present**

Gabriel Delgado, Legal Counsel  
Jason Peltier, Executive Director  
Jon Rubin, General Counsel  
Tona Mederios, Director of Finance  
Ara Azhderian, Water Policy Administrator  
Tom Boardman, Water Resources Engineer  
Frances Mizuno, Assistant Executive Director  
Guy Wamocho, Supervisor of Accounting  
Diane Rathmann, Legal Counsel

**Others in Attendance**

Don Wright  
Mike Wade, California Farm Water Coalition

Jarrett Martin, Central California Irrigation District  
Nick Janes, Byron-Bethany Irrigation District  
Russel Kagehiro, Byron-Bethany Irrigation District  
Jim Jasper, Del Puerto Water District  
Will Coit, Coit Ranch  
Michael Linneman, Panoche Water District  
Steve Chedester, Exchange Contractors  
Adam Hoffman, Exchange Contractors  
Janet Gutierrez, San Luis Water District

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

Chair Cannon Michael called the meeting to order. The Pledge of Allegiance was recited, and roll was called.

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

There were no additions or corrections to the agenda.

**3. Opportunity for Public Comment**

Director John Bennet announced that Panoche Water District has hired Dan Nelson as a special assistant to the Board of Directors, and to serve as interim manager for the District on an as-needed basis. Bennett also announced that Panoche Water District will seek to have Michael Linneman be the alternate for Bennett.

**CONSENT ITEMS**

**4. Agenda Items 4-5: Board to Consider a) Approval of March 9, 2017 Meeting Minutes, b) Acceptance of the Financial & Expenditures Report.**

Legal Counsel Jon Rubin reported on minor modifications and clarifications that were made to the minutes from the draft included in the pre-packets to the draft included in the Board packets. On motion of Director Rick Gilmore, seconded by Director John Varela, the Board approved the items on the consent calendar. The vote on the motion was as follows:

AYES:	McLeod, Hansen, Gilmore, Peracchi, Woolf, Bennett, Diedrich, Bryant, White, Michael, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Stadler
NAYS:	None
ABSTENTIONS:	None

Director Gary Kremen reported that he was not present for the vote on Agenda Item 10 as written in the minutes. Chair Michael asked for a motion to reconsider the approval of the

minutes in order to remove Director Kremen from the “aye” vote on Agenda Item 10. On motion of Director Tom Birmingham, and seconded by Director Rick Gilmore the Board Approved a motion to reconsider the minutes. The vote on the motion was as follow:

AYES: McLeod, Hansen, Gilmore, Peracchi, Woolf, Bennett,  
Diedrich, Bryant, White, Michael, Ortega, Varela, Kremen,  
Cattaneo, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

On motion of Director Don Peracchi, seconded by Director Gilmore, the Board voted to approve the minutes, with the revision to reflect that Director Kremen was not present for the vote on Agenda Item 10. The vote on the motion was as follows:

AYES: McLeod, Hansen, Gilmore, Peracchi, Woolf, Bennett,  
Diedrich, Bryant, White, Michael, Ortega, Varela, Kremen,  
Cattaneo, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

#### ACTION ITEMS

5. Agenda Item 6: Board of Directors to Consider Resolution Making Findings Under California Environmental Quality Act, Authorizing Execution of the Affirmation and Amendment to the Agreement for Funding Between the Department of Water Resources and the San Luis & Delta-Mendota Water Authority for the Costs of Environmental Analysis, Planning and design of Delta Conservation Measures, Including Delta Conveyance Options, and Authorizing Actions Related There to.

General Counsel Jon Rubin gave a brief overview of the January Board meeting when a draft affirmation and amendment was first presented to the Board, at which time the Board made the decision at that time to take no action, because of the uncertainty of whether any of those that had interest in the Note Proceeds would direct their interest to the DHCCP Planning Phase. Rubin explained that the affirmation and amendment is now necessary because Santa Clara Valley Water District has elected to have its interest in the remaining Note Proceeds used for the DHCCP Planning Phase.

On motion of Director John Varela, seconded by Director Gary Kremen, the Board unanimously approved the Resolution. The vote on the motion was as follows:

AYES: McLeod, Gilmore, Peracchi, Woolf, Bennett, Diedrich,  
Bryant, White, Michael, Ortega, Varela, Kremen, Cattaneo,  
Pucheu, Birmingham, Stadler

NAYS: Hansen  
ABSTENTIONS: None

**6. Agenda Item 7: Board of Directors to Consider Authorizing the Water Authority to Fund CalTrout Salmon Genetic Proposal.**

Water Policy Administrator Ara Azhderian reported that CalTrout has asked the Authority to partner with CalTrout and U.C. Davis to implement a pilot study to explore the use of genetic tracking as a management tool for Central Valley Chinook Salmon. Azhderian explained that the proposal for a pilot study had been reviewed by a number of Member Agencies' staff and consulting biologists, all of whom deemed it scientifically sound. Authority staff recommended the Water Authority commit up to half of the pilot study costs: \$37,500. Azhderian indicated that CalTrout has been soliciting other funding partners and the Water Authority's contribution could be less. Azhderian also reported that the funding would come from monies already budgeted under LegOps 1, Fisheries Action Plan.

A motion was made by Director Tom Birmingham and seconded by Director Steven Stadler to authorize the Water Authority to fund CalTRout Salmon Genetics Proposal up to \$37,500. The Board unanimously approved the Resolution. The vote on the motion was as follows:

AYES: McLeod, Hansen, Gilmore, Peracchi, Woolf, Bennett, Diedrich, Bryant, White, Michael, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Stadler  
NAYS: None  
ABSTENTIONS: None

**7. Agenda Item 8: Board of Directors to Consider Authorizing the Water Authority to Oppose Assembly Bills NO. 791, 792, 793.**

Water Policy Administrator Ara Azhderian reported that three bills introduced by Assembly Member Jim Frazier could impact the California WaterFix. A.B. No. 791 would require the Department of Water Resources to prepare information on the costs and benefits of the new water delivery system improvements. A.B. No. 792 would require the Delta Stewardship Council to issue a certification of consistency with the Delta Plan before construction could begin, and the Council could not issue the certification until after the State Water Resources Control Board adopts an update to the Bay-Delta Water Quality Control Plan. A.B. No. 793 would declare it to be state policy that the "natural state" of the Sacramento-San Joaquin Delta is recognized and defined as an integral component of California's water infrastructure.

A motion was made by Tom Birmingham and seconded by Steve Sadler that the Water Authority oppose A.B. Nos. 791, 792, 793. The vote on the motion was as follows:

AYES: McLeod, Hansen, Gilmore, Peracchi, Woolf, Bennett, Diedrich, Bryant, White, Michael, Ortega, Cattaneo, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: Varela

Director Gary Kremen was not present for the vote.

**8. Agenda Item 9: Board of Directors to Consider Resolution to Adopt Board of Directors Handbook.**

General Counsel Jon Rubin reviewed the final draft Policies and Procedures Manual that was included in the Board of Directors packets. Director Tom Birmingham expressed his concerns with adopting the Policies and Procedures Handbook. The Board did not act on this item. A motion was made by Director Rick Gilmore to refer this item to the Finance & Administration Committee for consideration and seconded by Director Bill Pucheu.

AYES: McLeod, Hansen, Gilmore, Peracchi, Woolf, Bennett, Diedrich, Bryant, White, Michael, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Stadler

NAYS: None

ABSTENTIONS: None

**REPORT ITEMS**

**9. Agenda Item 10: State Water Resources Control Board Bay-Delta Water Quality Control Plan Update.**

General Counsel Jon Rubin reported that on March 17, 2017 the Authority submitted to the State Water Resources Control Board comments on the 2016 Bay-Delta Plan Phase 1 Amendment and Substitute Environmental Document. A copy of the comment letter was included in the Board packet.

Rubin also reported on an ACWA's Policy Statement on Bay-Delta Flow Requirements. ACWA's policy statement is clear. Rubin explained that the Policy Statement reflects two principles that must guide the State Water Board's effort to update the 2006 Bay-Delta Plan are: 1) focus on providing flow when it serves biological functions, and 2) the functional flows must be considered in the context of a comprehensive plan that addresses the multiple factors impairing the highly altered Bay-Delta. Rubin stated that those principles are consistent with the comments the Authority filed on the Phase 1 documents and that a draft Authority letter

supporting the Policy Statement had been prepared. After brief discussion, the Board recommended that the Authority staff bring to the Board for consideration at its June meeting a draft resolution to support the Policy Statement.

**10. Agenda Item II: Committee Reports**

**a. Water Resources Committee Activities**

Member Tom Birmingham reported that the Water Resources Committee met on Monday April 6, 2017, and provided an overview to the Board. Birmingham also noted that item 6 on the Water Resources Committee agenda had been removed.

**b. Finance & Administration Committee Activities**

Director Bill Pucheu reported that the committee did not meet in April.

**c. O&M Technical Committee Activities**

No report provided

**II. Agenda Item 12: Operations Update**

Water Resources Engineer Tom Boardman reported that the C.W. "Bill" Jones Pumping Plant continued to pump at capacity with about 1,300 cfs meeting Central Valley Project direct demands and about 2,400 cfs as wheeling for State Water Project while pumping at the Harvey O. Banks Pumping Plant was halted to allow for Clifton Court Forebay repairs. CVP San Luis storage remained full, but SWP storage has dropped by about 17 TAF. Reclamation may seek to store CVP water in the unused SWP share of storage, if the schedule to resume Banks pumping outage becomes protracted. High delta inflows are expected to continue into May as flood releases are made from major reservoirs. DWR's Bulletin 120 update for April has not been officially posted, but is expected to show flood flows into the Mendota Pool enough to meet Exchange Contractor demands into at least June.

Boardman also reported that foregone pumping stood at about 71 TAF. Based on projected demands and continued unrestricted exports, about 175 TAF may be converted to Project supply at the sustained draw down in CVP San Luis – possibly delayed until mid to late June.

Boardman concluded his report with a discussion of the factors that support an allocation increase to 100%. Informal discussions with Reclamation operators indicate that they are in agreement with the rationale supporting a full allocation.

## 12. Agenda Item 13: Executive Director's Report

### a. Self-Funding Report

Director of Finance Tona Mederios gave a brief overview of the Self-Funding Report that was included in the Board packet.

### b. Operations & Maintenance Report

Assistant Executive Director Frances Mizuno gave an update on the O'Neill Unit 6 Main Unit rehabilitation/reassembly. Mizuno also reported that Reclamation has found funding for the Unit Rewind Project, and that it is waiting for approval from D.C.

### c. SGMA Report

Assistant Executive Director Frances Mizuno reported that the Memorandum of Understanding (MOU) that the Authority entered into with Zone 7 early in the SGMA process has been terminated. Mizuno explained that the original intent of the MOU, which was executed in September 2015, was to delegate to the Authority authority to be the Groundwater Sustainability Agency for the portion of the Tracy Basin within Alameda County. Since that time, however, the Authority decided it did not want to seek a GSA role and Byron Bethany Irrigation District decided to become the GSA for this same area.

### d. Drainage Activity Report

Legal Counsel Gabriel Delgado reported that both committees met, and gave a brief overview of the routine activities.

### e. Water Policy Administrator Report

No Report Given

### f. Executive Director's Report

Executive Director Jason Peltier reported that on Monday, April 10, 2017 a Chair orientation is planned for Cannon Michael. Peltier reported that he also talked to Michael about appointing a Strategic Planning Work Group. Peltier reported that he, Water Policy Administrator Ara Azhderian, and General Counsel Jon Rubin went on a great tour with Jeff Cattaneo and Sara Singleton from San Benito County Water District. Rick Gilmore gave a brief overview on the upcoming 2018/2019 ACWA elections.

## 13. Agenda Item 14-16: Closed Session Report

Chair Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:15 a.m. Upon return to open session at approximately 11:45 a.m., General Counsel Jon Rubin reported that the Board met in closed session to receive advice

from counsel on items listed on the Closed Session Agenda, but took no reportable action.

**14. Agenda Item 17: Reports Pursuant to Government Code Section 54954.2**

There were no reports given.

**15. Agenda Item 18: Adjournment**

The meeting was adjourned at approximately 11:45 a.m.