

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
DELTA HABITAT CONSERVATION & CONVEYANCE PLAN STEERING COMMITTEE
MEETING
AND
JOINT DELTA HABITAT CONSERVATION & CONVEYANCE PLAN STEERING
COMMITTEE MEETING and SPECIAL BOARD OF DIRECTORS WORKSHOP
MINUTES
November 3, 2016**

The Delta Habitat Conservation & Conveyance Plan (DHCCP) Steering Committee of the San Luis & Delta-Mendota Water Authority and joint Delta Habitat Conservation & Conveyance Plan Steering Committee meeting and Special Board of Directors workshop convened at 9:05 a.m. at 842 6th Street in Los Banos with member Rick Gilmore presiding.

DHCCP Steering Committee Present

Division 1

Rick Gilmore, Member

Division 2

Dan Pope, Member

Division 3

Chris White, Member (Arrived at 9:15 a.m.)

Division 4

Gary Kremen, Member (via teleconference) - Cindy Kao, Alternate
Jeff Cattaneo, Member (via teleconference)

Division 5

Steve Stadler, Member (via teleconference, not counted for quorum or towards any vote) - Danny Wade, Alternate

Board of Directors Present

Division 1

Anthea Hansen, Director
Rick Gilmore, Director

Division 2

John Bennett, Director

Division 3

Chris White, Alternate for Director James O'Banion

Division 4

Gary Kremen, Director
Jeff Cattaneo, Alternate (via teleconference) for Director John Tobias and Director Joseph Tonascia

Division 5

Steve Stadler, Director

Authority Representatives Present

Jason Peltier, Executive Director

Jon Rubin, General Counsel

Diane Rathmann, Legal Counsel

Doug Brown, Stradling Yocca Carlson & Rauth, P.C.

Others Present

Dan Nelson, SLDMWA Consultant

Vince Lucchesi, San Luis Water District

1. Committee to Consider Corrections or Additions to the Agenda

There were no changes to the agenda.

2. Opportunity for Public Comment

There were no public comments.

REPORT ITEMS

3. Update on California Water Fix and Potential Actions Re: Remaining San Luis & Delta-Mendota Water Authority DHCCP 2009A Note Proceeds

Executive Director Jason Peltier, Diane Rathmann, and Dan Nelson gave a brief historical background on the DHCCP Committee since the committee had not met since 2014. Peltier then provided an update on the planning effort, including the progression from BDCP to the WaterFix, efforts to complete the efforts, including the status of California Environmental Quality Act, National Environmental Policy Act, and Endangered Species Act compliance. General Counsel Jon Rubin discussed State Water Resources Control Board hearings. Rubin explained that the first phase of the hearing is focused on the potential effects on legal users of water, and the second phase of the hearing would focus on the potential effects on fish and wildlife. The second phase is not scheduled to begin until after the biological opinions are complete.

Next, Rubin described the options available to those with interests in the DHCCP 2009A Note proceeds, with the options differing for those that have an interest and those that do not have an interest in the 2013A bonds. Rubin explained, for those districts with an interest in the bonds, they can either apply their interest towards planning costs or have their interest placed into an escrow account and applied towards capital-related obligations under the bonds, when the obligation is due. And, for those districts without an interest in the bonds, they can either apply their interest towards planning costs or have their interest refunded to them.

The Steering Committee then discussed the options. Questions were asked, including about how long note proceeds might be held in the escrow account, the impact if no action were taken. Bond Counsel, Doug Brown explained that the note proceeds would be held until around 2023 and Peltier indicated he would need to follow up with representatives from the Department of Water Resources before describing the effects to the planning effort of delaying a

decision on how note proceeds might be used.

4. Closed Session

There was no closed session held.

5. Adjournment

Member Rick Gilmore adjourned the meeting at approximately 10:10 a.m.