



Notice of Regular Water Resources Committee Meeting and Joint Regular Water Resources Committee Meeting-Special Board Workshop

Monday, February 3, 2020 10:00 a.m.

SLDMWA Boardroom
842 6th Street, Los Banos
[telephonic participation locations identified below]

Agenda

NOTE: Any member of the public may address the Water Resource Committee/Board concerning any item on the agenda before or during consideration of that item. Public comment is limited to no more than three minutes per person per item. For good cause, the Chair of the Water Resources Committee may waive this limitation.

NOTE FURTHER: Because the notice provides for a regular meeting of the Water Resources Committee and a joint regular Water Resources Committee/Special Board workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only Water Resource Committee Members/Alternates may correct or add to the agenda or vote on action items.

1. Call to Order/Roll Call
2. Water Resources Committee to Consider Corrections or Additions to the Agenda for the Regular Water Resources Committee Meeting only, as Authorized by Government Code Section 54950 *et seq.*
3. Opportunity for Public Comment – Any member of the public may address the Water Resources Committee/Board concerning any matter not on the agenda, but within the Committee's or Board's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Water Resources Committee may waive this limitation.

ACTION ITEMS

4. **Water Resources Committee to Consider Approval of the January 6, 2020, Meeting Minutes**
5. **Water Resources Committee to Consider Recommendation to the Board of Directors to Approve the Proposed FY21 Activity Budget**

REPORT ITEMS

6. Briefing on Temperance Flat Reservoir Project, Aaron Fukuda/Stantec
7. Update on Water Policy/Resources Activities, Petersen
(May include reports on activities related to 1) Reinitiation of Consultation on Long-Term Operations of the Central Valley Project and State Water Project, including environmental compliance; 2) State Water Resources Control Board action; 3) San Joaquin River Restoration Program; 4) Delta conveyance; 5) Reclamation action; 6) Delta Stewardship Council action; 7) San Joaquin Valley Water Blueprint)
8. Update on California Storage Projects, Barajas
9. Report on State and Federal Affairs, Petersen
10. Update on Infrastructure Projects, Mizuno/Arroyave
11. Update on Water Transfer/Exchanges/Release Program, Mizuno/Arroyave
12. Discussion regarding San Joaquin Valley Water Infrastructure Authority Participation, Barajas
13. Executive Director's Report, Barajas

(May include reports on activities within the Water Resources Committee's jurisdiction related to 1) CVP/SWP water operations; 2) regulation of the CVP/SWP; 3) existing or possible new State and Federal policies; 4) Water Authority activities)

14. Committee Member Reports

15. Closed Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 4 potential cases

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of Subdivision (d) of Government Code Section 54956.9 – 3 potential cases

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Existing Litigation Pursuant to paragraph (1) of Subdivision (d) of Section 54956.9

- A. Natural Resources Defense Council et al. v. Bernhardt et al., U.S. District Court, E.D. Cal., Case No. 1:05-cv-01207, LJO-BAM (Old FWS – OCAP BO/Contracts)
- B. Modesto Irrigation District, et al. v. State Water Resources Control Board & Woods Irrigation Company, Sacramento County Superior Court Case No. 34-2011-80000803 (Complaint for Declaratory Relief re Woods Irrigation Company)
- C. SWRCB Water Rights Complaints: Modesto Irrigation District, State Water Contractors, San Luis & Delta- Mendota Water Authority, Interested Persons in SWRCB CDO Enforcement Proceedings and/or Petitions for Reconsideration: Pak & Young; Mussi et al; George Speckman Testamentary Trust (Water Rights Complaints)
- D. Pacific Coast Federation of Fishermen's Associations, California Sportfishing Protection Alliance, Friends of the River, San Francisco Crab Boat Owners Association, Inc., The Institute for Fisheries Resources, and Felix Smith v. Donald R. Glaser and San Luis & Delta-Mendota Water Authority, U.S. District Court, E.D. Cal., Case No. 2:11-CV-02980-KJM-CKD, Appeal No. 17-17130 ("PCFFA v Glaser" or "GBP Citizens Suit")
- E. San Luis & Delta-Mendota Water Authority and Westlands Water District v. Delta Stewardship Council, et al., Sacramento County Superior Court Case No. 34-2013-80001500 (Delta Plan Litigation). Appeals in Delta Plan Litigation: State Water Contractors, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082944); California Water Impact Network, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Central Delta Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); North Coast Rivers Alliance, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No.C082994); San Luis & Delta-Mendota Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Save the California Delta Alliance v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994)
- F. California Sportfishing Protection Alliance, et al. vs. California State Water Resources Control Board, et al., Alameda County Superior Court Case No. RG15780498 (State WQCP/TUCP)
- G. City of Fresno, et al. v. United States, U.S. Court of Federal Claims, Case No. 16-1276L (Friant Takings Suit)
- H. Monterey Coastkeeper, et al. v. Central Valley Regional Water Quality Control Board, et al., Sacramento County Superior Court Case No. 34-2018-80002853; Environmental Law Foundation v. State Water Resources Control Board, Sacramento County Superior Court Case No. 34-2018-80002851; Protectores del Agua Subterranea v. State Water Resources Control Board, Sacramento Superior Court Case No. 34-2018-80002852 ("Waste Discharge Requirement Cases")
- I. North Coast Rivers Alliance v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002898; Central Delta Water Agency v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002900; Friends of the River v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002901; California Water Impact Network v. Delta Stewardship Council, Sacramento County Superior Court, Case No. 34-2018-80002904 ("Delta Plan Amendment Cases")
- J. North Coast Rivers Alliance, et al. v. San Luis & Delta-Mendota Water Authority, et al., Merced County Superior Court, Case No. 19CV-04989 (GBP Long-Term Storm Water Management Plan)
- K. Pacific Coast Federation of Fishermen's Associations, et al. v. Wilbur Ross, et al., U.S. District Court, N.D. Cal., Case No. 3:19-cv-07897 (ROC on LTO BiOps)

16. Return to Open Session

17. Report from Closed Session, if any, Required by Government Code Section 54957.1

18. Reports Pursuant to Government Code Section 54954.2(a)(3)

19. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Felicia Luna at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, telephone: 209/826-9696 at least 3 days before a regular meeting or 1 day before a special meeting/workshop.

Telephonic Participation Locations:

San Benito County Water District
30 Mansfield Road
Hollister, CA 95023

Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

¹ Attention telephonic participants: This Notice and Agenda must be posted at the telephonic participation location, which must be accessible to the public.

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
REGULAR WATER RESOURCES COMMITTEE MEETING AND JOINT
REGULAR WATER RESOURCES COMMITTEE MEETING - SPECIAL
BOARD WORKSHOP MINUTES**

January 6, 2020

The Regular Water Resources Committee and Joint Regular Water Resources Committee Meeting and Special Board Workshop of the San Luis & Delta-Mendota Water Authority convened at approximately 10:00 a.m. at 842 6th Street in Los Banos, California with Chair Tom Birmingham presiding.

Water Resources Committee Members Present

Ex-Officio

Cannon Michael

Division 1

Anthea Hansen, Alternate for Earl Perez

Division 2

William Bourdeau, Alternate for Bill Diedrich

Division 3

Chris White, Member

Division 4

Jeff Cattaneo, Alternate for Cindy Kao

Division 5

Tom Birmingham, Member - Steve Stadler, Alternate

Board of Directors Present

Division 1

Anthea Hansen, Director

Division 2

William Bourdeau, Director

Division 3

Chris White, Director

Cannon Michael, Director

Division 4

Jeff Cattaneo, Director

Division 5

Tom Birmingham, Director

Steve Stadler, Director

Authority Representatives Present

Federico Barajas, Executive Director

Scott Petersen, Water Policy Director

Rebecca Akroyd, General Counsel

Pablo Arroyave, Chief Operating Officer

Frances Mizuno, Assistant Executive Director (via teleconference)

Joyce Machado, Director of Finance

Darlene Neves, Accountant II

Lauren Neves, Accountant III

Others Present

Tom Boardman, Westlands Water District

Dana Jacobson, Valley Water

Jarrett Martin, Central California Irrigation District

Lon Martin, San Luis Water District

John Wiersma, Henry Miller Reclamation District

1. Call to Order

Chair Tom Birmingham called the meeting to order.

2. The Water Resources Committee Will Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 et seq

No corrections or additions.

3. Opportunity for Public Comment

No public comment.

4. Water Resources Committee to Consider Approval of the December 9, 2019 Meeting

Minutes

Chair Tom Birmingham pronounced the December 9, 2019 meeting minutes approved.

5. Review Proposed FY21 Activity Budget.

Executive Director Federico Barajas reviewed first draft of proposed FY21 Activity Agreements Budget highlighting key components.

Water Policy Director Scott Petersen provided a brief overview of the Science Program. Petersen reported that Authority staff is recommending 4 areas to focus on: 1) Technical and scientific support for the Authority to engage in regulatory processes, 2) Steelhead monitoring and protection, 3) Delta Smelt structured decision making, and 4) Development of a Voluntary Agreement Science Plan.

6. Update on Water Policy/Resources Activities.

Water Policy Director Scott Petersen reported that the final EIS for the biological opinion reconsultation was released on December 19, 2019, and there is a 30-day public comment period. Petersen reported that is anticipated that the issuance of the final Record of Decision (ROD) will be in late January or early February of 2020.

Petersen reported that DWR's draft EIR related to State Water Project Operations will be available for public comment through today, January 6, 2020. Petersen reported that Authority staff will be submitting a letter highlighting two main concerns with the DEIR – a lack of description for project alternatives and a lack of quantitative and qualitative analysis of the impacts of the alternatives on the CVP.

Petersen gave a brief update on the Water Blueprint for the San Joaquin Valley indicating that the socioeconomic impact report is scheduled to be released in the next couple of weeks.

Petersen reported that Water Resilience Portfolio was released by the State on Friday for public comment, and comments are due to the State by February 7, 2020.

7. Update on California Storage Projects.

Executive Director Federico Barajas gave a brief update on the B.F. Sisk Raise Project, reporting that modeling is underway. Barajas reported that there will be a meeting with MBK to look at actual outputs from the modeling scenarios. Barajas reported that a meeting is scheduled with DWR to discuss the project and the different operational scenarios.

Assistant Executive Director Frances Mizuno reported that current activity related to the Los Vaqueros Reservoir Expansion Project is with the various workshops regarding the terms of the JPA. Mizuno reported that the goal is to have the JPA package ready by July 2020 to allow the Boards of the Local Agency Participants to consider joining the JPA, and to have the of formation

of the JPA by the end of the year.

8. Update on Science Program.

No update.

9. Update on State and Federal Affairs.

Water Policy Director Scott Petersen reported that a number of draft Reclamation Directives and Standards have been released for comment, including: Implementation of Historic Preservation Responsibilities for Operation, Maintenance and Replacement of Project Works.

Petersen reported that there will be a hearing on January 9, 2020 in the House Transportation and Infrastructure Committee on the Water Resources Development Act, it's anticipated that the House will limit their bill to Army Corp of Engineers only, and the Senate is likely to include Reclamation policy that the Senate Energy and Natural Resources Committee reaches agreement on.

Petersen reported that Authority staff are organizing a tour with State Water Resources Control Board members Sean McGuire and Laurel Firestone, with a focus on Authority infrastructure, broader CVP issues, irrigated lands program and SGMA, and it has been scheduled for January 16, 2020.

10. Update on Infrastructure Projects.

Chief Operating Officer Pablo Arroyave reported that there will be a San Luis Transmission Project Workshop in February regarding changes to cost. Assistant Executive Director Frances Mizuno reported that the project will proceed with Duke Energy only, because American Transmission Company has decided not to pursue the San Luis Transmission Project.

11. Update on Water Transfer/Exchanges/Release Program.

Chief Operating Officer Pablo Arroyave reported that staff has started the coordination process to prepare for possible water transfers needed in 2020.

12. Update on Water Operations and Forecasts.

Westlands Water District's Tom Boardman reported the first export constraint under the salmon BiOp went into effect on January 1, which is limiting total exports to about 6,000 cfs.

Although Jones is currently pumping at capacity, an export reduction is expected soon if San Joaquin flows do not significantly increase. Banks is currently pumping at 2,000 cfs and is not expected to change much given the mediocre weather forecast.

All CVP reservoirs with the exception of San Luis Reservoir are at near their seasonal maximum levels due to flood control, so needed precipitation from future storms should come as either rain in the San Joaquin basin and/or as snow fall above the rim reservoirs.

Boardman stated that CVP San Luis storage has refilled to 433 TAF and that San Luis Reservoir is not expected to refill without favorable hydrology.

Boardman concluded his report with a brief review of two charts showing refill projections under dry and normal hydrology.

13. Executive Director's Report.

Executive Director Federico Barajas reminded committee members that Thursday's Board meeting and Workshop will be held at Mission De Oro in Santa Nella at 9:30am.

Barajas reported that the Reclamation's re-scheduling guidelines were distributed last week, and comments are due to Assistant Executive Director Frances Mizuno by COB today.

14. Committee Member Reports.

No reports.

15. Closed Session

Chair Tom Birmingham adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:05 a.m. Upon return to open session at approximately 11:30 a.m., General Counsel Rebecca Akroyd reported that there were no reportable actions taken in closed session.

16. Reports Pursuant to Government Code Section 54954.2

None.

17. Adjournment

The meeting was adjourned at approximately 11:30 a.m.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
FY 20 TO FY 21 COMPARISON
MARCH 1, 2020 - FEBRUARY 28, 2021
WRC / FAC 2.3.20
PROPOSED FINAL

		A	B	C	D
		FY 2020 Budget	FY 2020 Projected Actual	FY 2021 Proposed Final	VARIANCE FY 2020 Compared to FY2021 Increase (Decrease)
Direct Expenses					
Legal:					
1	Linneman et al	\$ 34,000	\$ 68,000	\$ 33,500	\$ (34,500)
2	Kronick Moskovitz et al	\$ 762,300	\$ 762,300	\$ 1,100,000	\$ 337,700
3	Kronick Moskovitz et al (annual costs)	\$ 12,000	\$ 22,050	\$ 18,000	\$ (4,050)
4	Pioneer Law Group	\$ 40,000	\$ 90,000	\$ 216,000	\$ 126,000
5	Somach Simmons & Dunn	\$ 43,000	\$ 5,000	\$ 50,000	\$ 45,000
6	Additional O&M Legal Support	\$ 29,500	\$ 29,500	\$ 29,500	\$ -
7	Baker Manock & Jensen	\$ 84,000	\$ 23,992	\$ 53,280	\$ 29,288
8	Additional GBD Legal Support (NEPA, CWA, etc.)	\$ -	\$ 25,000	\$ 90,000	\$ 65,000
9	Technical Legal Support	\$ 150,000	\$ 150,000	\$ 150,000	\$ -
10	Legal Contingency	\$ 200,000	\$ 135,000	\$ 335,000	\$ 200,000
Sub Total Legal:		\$ 1,354,800	\$ 1,310,842	\$ 2,075,280	\$ 764,438
Technical:					
1	Direct Funding / Water Storage Studies	\$ 200,000	\$ 200,000	\$ 1,500,000	\$ 1,300,000
2	Science Program			\$ 500,000	\$ 500,000
3	Previous Technical Project Commitment	\$ 505,000	\$ 304,160	\$ 360,840	\$ 56,680
4	Science Studies / Efforts	\$ 200,000	\$ 95,000		\$ (95,000)
5	Coordinated Science / CAMT	\$ 105,000	\$ 50,000		\$ (50,000)
Sub Total Technical:		\$ 1,010,000	\$ 649,160	\$ 2,360,840	\$ 1,711,680
Legislative Advocacy/Public Information Representation:					
1	Federal & State Representation	\$ 269,500	\$ 269,500	\$ 256,025	\$ (13,475)
2	Legislative Support			\$ 10,982	\$ 10,982
3	Public Information / Communication	\$ 120,000	\$ 120,000	\$ 121,550	\$ 1,550
Sub Total Legislative Advocacy/PIP		\$ 389,500	\$ 389,500	\$ 388,557	\$ (943)
Other Professional Services:					
1	SGMA Services	\$ 278,944	\$ 1,033,476	\$ 1,188,082	\$ 154,606
2	Integrated Regional Water Management	\$ 215,000	\$ 351,823	\$ 152,000	\$ (199,823)
Sub Total Other Professional Services:		\$ 493,944	\$ 1,385,299	\$ 1,340,082	\$ (45,217)
Grassland Basin Drainage:					
1	GBD Specific	\$ 841,962	\$ 1,021,360	\$ 1,100,192	\$ 78,832
2	New UA Mud Slough Mitigation	\$ 719,000	\$ 135,000	\$ 100,000	\$ (35,000)
3	Use of Drain	\$ 240,000	\$ 100,000	\$ 110,000	\$ 10,000
4	Biological Monitoring	\$ 202,000	\$ 269,000	\$ 367,500	\$ 98,500
5	Groundwater WDR Specific	\$ 262,950	\$ 285,943	\$ 372,478	\$ 86,535
Sub Total GBD Specific:		\$ 2,265,912	\$ 1,811,303	\$ 2,050,170	\$ 238,867
OTHER:					
1	DHCCP Debt Service on Bond/Arbitrage/Trustee Admin	\$ 2,458,000	\$ 2,458,000	\$ 2,460,000	\$ 2,000
2	Strategic Planning	\$ 35,000	\$ 29,000	\$ -	\$ (29,000)
3	Executive Director	\$ 333,733	\$ 333,733	\$ 350,789	\$ 17,056
4	Executive Assistant	\$ 92,893	\$ 92,893	\$ 97,799	\$ 4,906
5	Special Projects Coordinator			\$ 155,727	\$ 155,727
6	General Counsel	\$ 272,657	\$ 272,657	\$ 294,932	\$ 22,275
7	Deputy General Counsel	\$ 100,840	\$ -	\$ -	\$ -
8	Water Policy Director	\$ 247,948	\$ 247,948	\$ 257,767	\$ 9,819
9	Science Manager/Special Projects Manager			\$ 250,000	\$ 250,000
10	In-House Staff	\$ 391,544	\$ 392,503	\$ 562,791	\$ 170,288
11	Law Clerk			\$ 40,000	\$ 40,000
12	Sacramento Administrative Office (SAO)	\$ 50,033	\$ 50,033	\$ 100,000	\$ 49,967
13	Dissolved Oxygen Aerator	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)
14	Other Services & Expenses	\$ 58,926	\$ 54,703	\$ 54,785	\$ 82
15	License & Continuing Education	\$ 4,500	\$ 1,750	\$ 4,800	\$ 3,050
16	Organizational Membership	\$ 80,250	\$ 80,250	\$ 90,250	\$ 10,000
17	Conferences & Training	\$ 26,750	\$ 10,750	\$ 28,300	\$ 17,550
18	Travel/Mileage	\$ 86,500	\$ 71,750	\$ 106,125	\$ 34,375
19	Group Meetings	\$ 4,025	\$ 12,514	\$ 13,000	\$ 486
20	Telephone	\$ 6,950	\$ 11,910	\$ 11,090	\$ (820)
Sub Total Other:		\$ 4,275,549	\$ 4,145,394	\$ 4,878,155	\$ 732,761
Total Activities Budget Direct Exp., includes DMC Legal / Admin*		\$ 9,789,705	\$ 9,691,498	\$ 13,093,084	\$ 3,401,586
Total DMC O&M / EO&M / CIP Direct Exp., excludes DMC Legal / Admin*		\$ 21,050,119	\$ 21,072,119	\$ 26,022,784	\$ 4,950,665
Grand Total Direct Expenditures		\$ 30,839,824	\$ 30,763,617	\$ 39,115,868	\$ 8,352,251
Administrative Expenditures		\$ 286,500	\$ 290,264	\$ -	\$ (290,264)
Total Expenditures		\$ 31,126,324	\$ 31,053,881	\$ 39,115,868	\$ 8,061,987

(A) Total FY20 Budget
(B) Total FY20 Projected Actual
(C) Total FY21 Working Budget
(D) Total reflects variance between FY21 Working Budget and FY20 Projected Actuals

PROPOSED FINAL

	Total	DMC O&M (01)	General Fund (03)	Leg/Op (05)	Reallo Agreement (06)	Contract Renewal Coordinator (35)	Leg/Op #3 (09)	Yuba Co. Water Trans. Sub Fund of Leg/Op#3 (28)	GBD Dr #3A (22)	SGMA Northern Delta-Mendota Region (64)	SGMA Central Delta-Mendota Region (65)	Integrated Regional Water Management (67)	Los Vaqueros (68)	Exchange Contractor 5 Year Transfer (44)	Long-Term North to South Water Transfers (56)	DHCCP (16)
Direct Expenses																
Legal:																
1 Linneman et al	\$ 33,500	\$ 5,000		\$ 3,500					\$ 25,000							
2 Kronick Moskovitz et al	\$ 1,100,000	\$ 50,000		\$ 1,000,000		\$ 50,000										
3 Kronick Moskovitz et al (annual costs)	\$ 18,000	\$ 500		\$ 17,000		\$ 500										
4 Pioneer Law Group	\$ 216,000	\$ 8,000		\$ 20,000					\$ 50,000						\$ 138,000	
5 Somach Simmons & Dunn	\$ 50,000			\$ 40,000					\$ 10,000							
6 Additional O&M Legal Support	\$ 29,500	\$ 29,500														
7 Baker Manock & Jensen	\$ 53,280									\$ 23,040	\$ 23,040	\$ 7,200				
8 Additional GBD Legal Support (NEPA, CWA, etc.)	\$ 90,000								\$ 90,000							
9 Technical Legal Support	\$ 150,000			\$ 150,000												
10 Legal Contingency	\$ 335,000			\$ 335,000												
Sub Total	\$ 2,075,280	\$ 93,000	\$ -	\$ 1,565,500	\$ -	\$ 50,500	\$ -	\$ -	\$ 175,000	\$ 23,040	\$ 23,040	\$ 7,200	\$ -	\$ -	\$ 138,000	\$ -
Technical:																
1 Direct Funding / Water Storage Studies	\$ 1,500,000			\$ 1,500,000												
2 Science Program	\$ 500,000			\$ 500,000												
3 Previous Technical Project Commitment	\$ 360,840			\$ 360,840												
Sub Total	\$ 2,360,840	\$ -	\$ -	\$ 2,360,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legislative Advocacy/Public Information Representation:																
1 Federal & State Representation	\$ 256,025			\$ 256,025												
2 Legislative Support	\$ 10,982			\$ 10,982												
3 Public Information / Communication	\$ 121,550		\$ 121,550													
Sub Total	\$ 388,557	\$ -	\$ 121,550	\$ 267,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Professional Services:																
1 SGMA Services	\$ 1,188,082									\$ 594,041	\$ 594,041					
2 Integrated Regional Water Management	\$ 152,000											\$ 152,000				
Sub Total	\$ 1,340,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 594,041	\$ 594,041	\$ 152,000	\$ -	\$ -	\$ -	\$ -
Grassland Basin Drainage:																
1 GBD Specific	\$ 1,100,192							\$ 1,100,192								
2 New UA Mud Slough Mitigation	\$ 100,000							\$ 100,000								
3 Use of Drain	\$ 110,000							\$ 110,000								
4 Biological Monitoring	\$ 367,500							\$ 367,500								
5 Groundwater WDR Specific	\$ 372,478							\$ 372,478								
Sub Total	\$ 2,050,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,050,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER:																
1 DHCCP Debt Service on Bond/Arbitrage/Trustee Admin	\$ 2,460,000															\$ 2,460,000
2 Executive Director	\$ 350,789	\$ 87,697	\$ 175,395	\$ 87,697												
3 Executive Assistant	\$ 97,799	\$ 48,899	\$ 24,450	\$ 24,450												
4 Special Projects Coordinator	\$ 155,727	\$ 77,864											\$ 38,932	\$ 7,786	\$ 31,145	
5 General Counsel	\$ 294,932	\$ 73,733	\$ 147,466	\$ 73,733												
6 Water Policy Director	\$ 257,767			\$ 257,767												
7 Science Manager/Special Projects Manager	\$ 250,000			\$ 250,000												
8 In-House Staff	\$ 562,791		\$ 65,000	\$ 30,780		\$ 1,368	\$ 3,420	\$ 10,000	\$ 194,991	\$ 194,991	\$ 44,929	\$ 5,000	\$ 3,420	\$ 3,420	\$ 5,472	
9 Law Clerk	\$ 40,000		\$ 40,000													
10 Sacramento Administrative Office (SAO)	\$ 100,000	\$ 45,000	\$ 10,000	\$ 45,000												
11 Other Services & Expenses	\$ 54,785		\$ 21,560	\$ 6,000				\$ 1,600	\$ 8,500	\$ 8,500	\$ 8,625					
12 License & Continuing Education	\$ 4,800		\$ 1,750	\$ 2,550					\$ 250	\$ 250						
13 Organizational Membership	\$ 90,250		\$ 90,250													
14 Conferences & Training	\$ 28,300		\$ 4,625	\$ 8,675					\$ 5,000	\$ 5,000	\$ 5,000					
15 Travel/Mileage	\$ 106,125		\$ 46,125	\$ 40,000					\$ 5,000	\$ 5,000	\$ 10,000					
16 Group Meetings	\$ 13,000		\$ 6,000	\$ 5,000					\$ 500	\$ 500	\$ 1,000					
17 Telephone	\$ 11,090		\$ 2,790	\$ 4,000				\$ 800	\$ 1,250	\$ 1,250	\$ 1,000					
Sub Total	\$ 26,022,784	\$ 26,022,784	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 39,115,868	\$ 26,448,977	\$ 756,961	\$ 5,028,999	\$ -	\$ 51,868	\$ -	\$ 3,420	\$ 2,237,570	\$ 832,572	\$ 832,572	\$ 229,754	\$ 43,932	\$ 11,206	\$ 172,565	\$ 2,465,472



MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: February 3, 2020

RE: Update on Water Policy/Resources Activities

BACKGROUND

This memorandum is provided to briefly summarize the current status of various agency processes regarding water policy activities, including but not limited to the (1) Reinitiation of Consultation on Long-Term Operations (“ROC on LTO”), (2) State Water Resources Control Board Action, including the Bay-Delta Water Quality Control Plan update, (3) San Joaquin River Restoration Program, (4) Revised Delta Conveyance, (5) Delta Stewardship Council, and (6) San Joaquin Valley Water Blueprint.

POLICY ITEMS

Reinitiation of Consultation on Long-Term Operations (ROC on LTO)

On August 2, 2016, the U.S. Bureau of Reclamation, the lead federal agency, and the California Department of Water Resources (DWR), the applicant, jointly requested the reinitiation of Endangered Species Act consultation on the coordinated long-term operation of the Central Valley Project (CVP) and State Water Project (SWP). The U.S. Fish and Wildlife Service (FWS) and National Oceanic and Atmospheric Administration Fisheries (NOAA Fisheries) accepted the reinitiation request on August 3, 2016.

On January 31, 2019, Reclamation transmitted their Biological Assessment. As stated in the BA, the purpose of this action is “...to continue the coordinated long-term operation of the CVP and SWP to maximize water supply delivery and optimize power generation consistent with applicable laws, contractual obligations, and agreements; and to increase operational flexibility by focusing on nonoperational measures to avoid significant adverse effects.”

The two biological opinions¹² on the coordinated operations of the CVP/SWP were finalized on October 21, 2019. FWS and NOAA Fisheries evaluated the impact of CVP/SWP water operations on imperiled species including Delta smelt, salmonid, green sturgeon, northern resident killer whale and 15 terrestrial species that could be impacted. The proposal includes habitat

¹ https://www.fws.gov/sfbaydelta/cvp-swp/documents/10182019_ROC_BO_final.pdf

² <https://www.fisheries.noaa.gov/webdam/download/98198559>

management measures in the Delta and entrainment management related to water exports in the South Delta.

FWS and NOAA Fisheries documented impacts from the proposed operations and worked with Reclamation to modify their proposed operations to minimize and offset those impacts, in conjunction with DWR. The FWS and NOAA Fisheries have concluded that Reclamation's proposed operations will not jeopardize threatened or endangered species or adversely modify their designated critical habitat. However, on November 21, 2019, the California Department of Natural Resources and the California Environmental Protection Agency announced their intent to litigate the federal biological opinions, asserting that the state performed an assessment that the operating rules proposed by federal agencies are not scientifically adequate and fall short of protecting species pursuant to the requirements of the Endangered Species Act and California's interests.

On December 19, 2019, Reclamation continued the environmental compliance process under the National Environmental Policy Act by releasing the final Environmental Impact Statement (EIS)³ and announcing that they will issue the final Record of Decision (ROD) by late January/early February 2020.

Relatedly, the State Water Project (SWP) is undergoing a process to provide legal permitting of its long-term operations consistent with the requirements of the California Endangered Species Act (CESA) in conjunction with the update of the CVP biological opinions. As part of this process, the state released a draft Environmental Impact Report⁴ on November 21, 2019, pursuant to the California Environmental Quality Act, that identifies potential operational changes to protect species and manage the SWP based on real-time conditions in the Delta ecosystem, rather than calendar-based requirements.

The draft EIR assesses impacts of proposed project operations, a "no project" alternative that reflects current operating rules, three alternatives that provide fresh water flows in the spring and summer, and an alternative that uses physical barriers and other deterrents to keep fish away from the SWP pumps.

Concurrent with the environmental review under CEQA, DWR is developing an application for a permit from the California Department of Fish and Wildlife (CDFW) for long-term SWP operations under CESA. CDFW will determine requirements for the permit in the coming months, with a specific focus on mitigating impacts of SWP operations on longfin smelt, Delta smelt, winter-run and spring-run Chinook salmon.

Historically, DWR had relied on federal Biological Opinions to cover the SWP under the federal ESA, with a consistency determination provided by CDFW. Securing a separate permit under

³ https://www.usbr.gov/mp/nepa/nepa_project_details.php?Project_ID=39181

⁴ https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/State-Water-Project/Files/Deliv-42DEIRv1-112119-Volume-I_ay_19.pdf?la=en&hash=FA4DB4BDFE72DFE791F187AE5D796B0BB89177AC

CESA provides flexibility for CDFW to consider amendments to the permit based on better scientific understanding as part of the adaptive management program, without relying on changes to be made to the federal Biological Opinions. It also provides CESA authorization for SWP regardless of any potential changes in federal law.

DWR's draft proposal differs from the federal Biological Opinions in some ways:

- It vests authority in CDFW to stop operational changes if it determines they will violate CESA standards.
- It includes alternatives that provide a block of environmental water that can be used to offset pumping impacts in the Delta, with adjustments made over time as new information is learned.
- It provides additional direction on when Delta pumping can be increased during storm events and caps the amount that exports can be increased in those events.
- It includes specific protections for longfin smelt, a protected species under CESA, though not under the ESA, and a commitment to implementing a longfin smelt science plan.

DWR's draft EIR was available for public comment through January 6, 2020. The Authority submitted a comment letter highlighting concerns with the document. DWR anticipates completing a final document in early 2020, with a permit from CDFW expected to follow.

Reclamation Directives and Standards

Documents out for Comment

Draft Directives and Standards

- [Integrated Pest and Invasive Species Management, ENV 01-01 \(comments due February 10, 2020\)](#)
- [Public Notification of Aerial Applications of Pesticides on Lands Managed Directly by the Bureau of Reclamation, ENV 01-02 \(comments due February 10, 2020\)](#)

United States Environmental Protection Agency

Navigable Waters Protection Rule

On February 28, 2017, President Trump signed the "[Executive Order on Restoring the Rule of Law, Federalism, and Economic Growth by Reviewing the 'Waters of the United States' Rule.](#)" The E.O. calls on the EPA Administrator and the Assistant Secretary of the Army for Civil Works to review the final 2015 Rule and "publish for notice and comment a proposed rule rescinding or revising the rule...." The E.O. directs that the EPA and the Department of Army "shall consider interpreting the term 'navigable waters'" in a manner "consistent with Justice Scalia's opinion" in [Rapanos v. United States \(2006\)](#).

On October 22, 2019, the agencies published a final rule to repeal the 2015 Rule and recodify the regulation that was in place prior to issuance of the 2015 Rule. This final rule became effective on December 23, 2019.

On January 23, 2020, the U.S. Environmental Protection Agency (EPA) and the Department of the Army (Army) finalized the Navigable Waters Protection Rule to define “waters of the United States” (WOTUS). Congress, in the Clean Water Act, explicitly directed the Agencies to protect “navigable waters.” The Navigable Waters Protection Rule regulates these waters and the core tributary systems that provide perennial or intermittent flow into them. The final rule fulfills [Executive Order 13788](#) and reflects legal precedent set by key Supreme Court cases as well as robust public outreach and engagement, including pre-proposal input and comments received on the proposed rule. The final rule will become effective 60 days after publication in the *Federal Register*. Once effective, it replaces the rule published on October 22, 2019.

Under the final “Step 2” rule, four clear categories of waters are federally regulated:

- The territorial seas and traditional navigable waters,
- Perennial and intermittent tributaries to those waters,
- Certain lakes, ponds, and impoundments, and
- Wetlands adjacent to jurisdictional waters

The final rule also details 12 categories of exclusions, features that are not “waters of the United States,” such as features that only contain water in direct response to rainfall (e.g., ephemeral features); groundwater; many ditches; prior converted cropland; and waste treatment systems.

The final rule clarifies key elements related to the scope of federal Clean Water Act jurisdiction, including:

- Providing clarity and consistency by removing the proposed separate categories for jurisdictional ditches and impoundments.
- Refining the proposed definition of “typical year,” which provides important regional and temporal flexibility and ensures jurisdiction is being accurately determined in times that are not too wet and not too dry.
- Defining “adjacent wetlands” as wetlands that are meaningfully connected to other jurisdictional waters, for example, by directly abutting or having regular surface water communication with jurisdictional waters.

The Navigable Waters Protection Rule is the second step in a two-step process to review and revise the definition of “waters of the United States” consistent with the February 2017 Presidential Executive Order entitled “[Restoring the Rule of Law, Federalism, and Economic Growth by Reviewing the ‘Waters of the United States.’](#)” This final rule will become effective 60 days after publication in the *Federal Register* and will replace the [Step One Rule](#) published in October, 2019.

Council on Environmental Quality

National Environmental Policy Act Proposed Rule

CEQ is considering updating its NEPA implementing regulations and has issued a Notice of Proposed Rulemaking to modernize and clarify the regulations to facilitate a more efficient,

effective, and timely NEPA review process. CEQ's proposed rule would incorporate elements of the One Federal Decision policy, codify certain case law and CEQ guidance, revise the regulations to reflect current technologies and agency practices, eliminate obsolete provisions, and improve the format and readability of the regulations.

Overview of Key Elements of the Proposed Rule:

- Modernize, Simplify and Accelerate the NEPA Process
 - Establish presumptive time limits of two years for completion of environmental impact statements (EISs) and one year for completion of environmental assessments (EAs)
 - Specify presumptive page limits
 - Require joint schedules, a single EIS, and a single record of decision (ROD), where appropriate, for EISs involving multiple agencies
 - Strengthen the role of the lead agency and require senior agency officials to timely resolve disputes to avoid delays
 - Promote use of modern technologies for information sharing and public outreach

- Clarify Terms, Application and Scope of NEPA Review
 - Provide direction regarding the threshold consideration of whether NEPA applies to a particular action
 - Require earlier solicitation of input from the public to ensure informed decision-making by Federal agencies
 - Require comments to be specific and timely to ensure appropriate consideration
 - Require agencies to summarize alternatives, analyses, and information submitted by commenters and to certify consideration of submitted information in the ROD
 - Simplify the definition of environmental “effects” and clarify that effects must be reasonably foreseeable and have a reasonably close causal relationship to the proposed action
 - State that analysis of cumulative effects is not required under NEPA
 - Clarify that “major Federal action” does not include non-discretionary decisions and non-Federal projects (those with minimal Federal funding or involvement)
 - Clarify that “reasonable alternatives” requiring consideration must be technically and economically feasible

- Enhance Coordination with States, Tribes, and Localities
 - Reduce duplication by facilitating use of documents required by other statutes or prepared by State, Tribal, and local agencies to comply with NEPA
 - Ensure appropriate consultation with affected Tribal governments and agencies
 - Eliminate the provisions in the current regulations that limit Tribal interest to reservations

- Reduce Unnecessary Burdens, Delays
 - Facilitate use of efficient reviews (categorical exclusions (CEs), environmental assessments)
 - Allow agencies to establish procedures for adopting other agencies' CEs
 - Allow applicants/contractors to assume a greater role in preparing EISs under the supervision of an agency

CEQ requests public comment on the NPRM. Comments should be submitted on or before March 10, 2020.

Comments may be submitted via any of the following methods:

Go to <https://www.regulations.gov/> and follow the online instructions for submitting comments to Docket ID No. CEQ-2019-0003.

By Fax: 202-456-6546.

By mail:

Council on Environmental Quality
730 Jackson Place NW
Washington, DC 20503
Attn: Docket No. CEQ-2019-0003

State Water Resources Control Board Activity

Documents out for Comment

2/10 by 12:00 pm; Written Comments on Toxicity Appendices J and K

The State Water Board is developing the proposed Toxicity Provisions to establish numeric water quality objectives for both acute and chronic toxicity, and a program of implementation to protect aquatic life beneficial uses. The public comment period for the Toxicity Provisions ran from October 19, 2018 through December 22, 2018.

Subsequently, additional information regarding laboratory performance of the chronic *Ceriodaphnia dubia* reproduction toxicity test became available. A new appendix examines the available data. The appendix is titled Draft Appendix J. Evaluating Laboratory Performance with the Chronic *Ceriodaphnia dubia* Reproduction Toxicity Test and includes a summary of peer-reviewed, published results regarding California laboratory performance while conducting chronic toxicity tests using *Ceriodaphnia dubia*. This appendix also includes analyses conducted by State Water Board staff evaluating recent laboratory performance data, whole effluent toxicity test results, and probability projections based on laboratory performance. In addition, after the close of the 2018 public comment period, State Water Board staff surveyed laboratories accredited by the Environmental Laboratory Accreditation Program to conduct chronic toxicity tests for California's National Pollutant Discharge Elimination System (NPDES) permitted dischargers. A second new appendix titled Draft Appendix K. Survey of Laboratory Toxicity Testing Logistical Capacities includes the questions and summary responses

from surveyed laboratories regarding the capability of laboratories to initiate routine monitoring tests and median monthly effluent limitation (MMEL) compliance tests within the same calendar month, when required. The survey also examined potential costs to dischargers for unscheduled tests or other laboratory services.

Bay Delta Water Quality Control Plan Update

The State Water Resources Control Board (“Water Board”) is currently considering updates to its 2006 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (“Bay Delta Plan”) in two phases (Plan amendments). The first Plan amendment is focused on San Joaquin River flows and southern Delta salinity (“Phase I” or “San Joaquin River Flows and Southern Delta Salinity Plan Amendment”). The second Plan amendment is focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows (“Phase II” or “Sacramento/Delta Plan Amendment”).

During the December 12, 2018 Water Board Meeting, the Department of Water Resources (“DWR”) and Department of Fish and Wildlife presented proposed “Voluntary Settlement Agreements” (“VSAs”) on behalf of Reclamation, DWR, and the public water agencies they serve to resolve conflicts over proposed amendments to the Bay-Delta Plan update.⁵ The Water Board did not adopt the proposed VSAs in lieu of the proposed Phase 1 amendments, but as explained below, directed staff to consider the proposals as part of a future Delta-wide proposal.

Phase 1 Status: The Water Board adopted a resolution⁶ to adopt amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary and adopt the Final Substitute Environmental Document during its December 12, 2018 public meeting.

Phase 2 Status: In the Water Board’s resolution adopting the Phase 1 amendments, the Water Board directed staff to assist the Natural Resources Agency in completing a Delta watershed-wide agreement, including potential flow and non-flow measures for the Tuolumne River, and associated analyses no later than March 1, 2019. Staff were directed to incorporate the Delta watershed-wide agreement as an alternative for a future, comprehensive Bay-Delta Plan update that addresses the reasonable protection of beneficial uses across the Delta watershed, with the goal that comprehensive amendments may be presented to the State Water Board for consideration as early as possible after December 1, 2019. As the Water Board further refines this update, there will be opportunity for public comment.

The effort has made significant progress since an initial framework was presented to the State Water Board on December 12, 2018.

⁵ Available at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf>.

⁶ Available at https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2018/rs2018_0059.pdf.

On March 1, 2019, the California Department of Water Resources and the Department of Fish and Wildlife submitted documents⁷ to the Water Board that reflect progress since December to flesh-out the previously submitted framework to improve conditions for fish through targeted river flows and a suite of habitat-enhancing projects including floodplain inundation and physical improvement of spawning and rearing areas.

Since the March 1 submittal, significant work has taken place to develop the package into a form that is able to be analyzed by State Board staff for legal and technical adequacy. On June 30, 2019, a status update with additional details was submitted to the Board for review.

Further work and analysis is needed to determine whether the agreements can meet environmental objectives required by law and identified in the State Water Board's update to the Bay-Delta Water Quality Control Plan. Key remaining issues/dates are identified below:

- The State Team has released a package of the modeling and analysis they have done to-date, including hydrologic modeling in CalSim and SacWAM, analysis of the VA habitat outcomes in the tributaries completed by FlowWest, and results from RMA's Delta habitat modeling. In conjunction with the release of this package, a webinar outlining the modeling of flows and habitat of baseline conditions, VA assets and unimpaired flow proposal will be put on in order to provide technical input into the modeling effort needed to assist in adequacy determination. Given the amount of data and technical analysis required for the new SacWAM model, the Authority has joined other contractors in requesting a 30-day extension to issue comments on the modeling effort.
- Over the past months, the State Team and the VA Parties have worked on a set of documents outlining implementation criteria and biological and environmental targets (collectively, "BETs") for the VA. These include a BET framework document, a template for tributary BETs, individual BET documents for each tributary, a Delta BET document, and a Systemwide BET document. Development of these documents continues and a report on their development is anticipated in advance of the next plenary meeting on December 17.
- *The Legal Work Group* has drafted and continues to revise a VA Master Agreement and a Government Code Agreement.
- *The VA Plenary* is scheduled to meet on February 4 to discuss work performed by the working groups since November.

Delta Conveyance

On May 2, 2019, the California Department of Water Resources announced that it has withdrawn the project approval of WaterFix and rescinded the accompanying NOD filed pursuant to CEQA DWR will begin a renewed environmental review and planning process for a smaller, single tunnel project. In addition, DWR and Reclamation submitted the attached letter

⁷ Available at http://resources.ca.gov/docs/voluntary-agreements/2019/Complete_March_1_VA_Submission_to_SWRCB.pdf

to the State Water Board notifying the Board that they were withdrawing both the change petition and the application for Section 401 certification for WaterFix.

On January 15, 2020, The Department of Water Resources (DWR) released a [Notice of Preparation \(NOP\)](#) for a proposal to modernize water infrastructure in the Sacramento-San Joaquin Delta, initiating environmental review in compliance with the California Environmental Quality Act (CEQA). The NOP, announcing the preparation of an environmental impact report (EIR) for the proposed Delta Conveyance Project, marks the first step under the CEQA process. The proposed project described in the NOP is a single underground tunnel with two intakes that together have a total diversion capacity of 6,000 cubic feet-per-second (cfs). The NOP notes that there will likely be alternatives identified that evaluate a range of capacities from 3,000 cfs to 7,500 cfs. The NOP signals the start of the scoping process for the EIR and provides an opportunity for members of the public and agencies to provide input on the scope and content of the EIR, including information needs, potential project effects and mitigation measures, and possible alternatives to the proposed project.

The purpose in proposing this project is to develop diversion and conveyance facilities in the Delta necessary to restore and protect the reliability of California's water deliveries south of the Delta in a cost-effective manner, and consistent with the recently released [draft Water Resilience Portfolio](#).

Public comments on the NOP are due on March 20, 2020 by 5 p.m. and may be submitted via email at DeltaConveyanceScoping@water.ca.gov or mail at Delta Conveyance Scoping Comments, Attn: Renee Rodriguez, Department of Water Resources, P.O. Box 942836, Sacramento, CA 94236. Seven public scoping meetings are scheduled to receive written and verbal comments.

Independent from the CEQA process, DWR also intends to seek a court ruling this spring to affirm its authority to issue revenue bonds for a future conveyance facility.

What happens next with regard to Delta conveyance remains to be seen, but this development certainly has implications for (1) pending litigation challenging the WaterFix BiOps, DWR's financing of WaterFix, and the "No Harm" or "Hold Harmless" agreement, and (2) financial contributions to the planning of WaterFix.

[Water Blueprint for the San Joaquin Valley](#)

In October, the Water Blueprint for the San Joaquin Valley held initial scoping meetings for the 8-County socioeconomic impact report being undertaken by Dr. David Sunding. Additionally, the Executive Committee has selected Tal Eslick of Eslick Government Affairs as the Project Manager. The Socioeconomic Impact Report has been completed and will be provided to the Board when it's final.