

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MINUTES
REGULAR WATER RESOURCES COMMITTEE MEETING
AND
JOINT REGULAR WATER RESOURCES COMMITTEE MEETING AND
SPECIAL BOARD WORKSHOP
FEBRUARY 5, 2018**

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 10:05 a.m. at 842 6th Street in Los Banos, California with Ex-Officio Cannon Michael presiding.

Water Resources Committee Members Present

Ex-Officio

Cannon Michael

Division 1

Earl Perez, Member - Anthea Hansen, Alternate

Division 2

William Bourdeau, Alternate for Bill Diedrich

Division 3

Chris White, Alternate

Division 4

Jeff Cattaneo, Alternate for Cindy Kao (via teleconference)

Division 5

Steve Stadler, Alternate for Tom Birmingham

Board of Directors Present

Division 1

Anthea Hansen, Director - Earl Perez, Alternate

Rick Gilmore, Director (joined after item 4)

Division 2

William Bourdeau, Alternate for Sarah Woolf

Lon Martin, Alternate for William Diedrich

Division 3

Chris White, Alternate for Director James O'Banion

Cannon Michael, Director

Division 4

Jeff Cattaneo, Alternate for John Tobias (via teleconference)

Division 5

Steve Stadler, Director

Authority Representatives Present

Tom Boardman, Water Resources Engineer

Frances Mizuno, Assistant Executive Director

Jon Rubin, Interim Executive Director and General Counsel

Others Present

Ara Azhderian, Panoche Water District

Frances Brewster, Santa Clara Valley Water District

1. Call to Order

Ex-Officio Cannon Michael called the meeting to order and a roll call was held.

2. The Water Resources Committee Will 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

There was no public comment.

4. Committee to Consider Approval of the January 8, 2018 Meeting Minutes

The January 8, 2018 meeting minutes of the Water Resources Committee were previously distributed for review. Alternate Member Anthea Hansen noted a correction in the meeting minutes. With the correction and there being no other substantive corrections or additions from Committee members, Member Steve Stadler made a motion that the Committee approve the January 8, 2018 meeting minutes with the correction. The motion was seconded by Member Earl Perez and passed unanimously.

The Committee action is reported as follows:

AYES: Michael, Perez, Bourdeau, White, Cattaneo, Stadler

NOES: None

ABSTENTIONS: None

5. Water Resources Committee to Consider Recommendation to the Board of Directors to Withdraw from or Terminate the State & Federal Contractors Water Agency (SFCWA)

Interim Executive Director and General Counsel Jon Rubin explained that based on input provided throughout the last few months, the current budget has no money for SFCWA due. Rubin discussed the

preliminary information sheet regarding liabilities and assets and indicated that over the course of the 60-day notice to withdraw period, the Water Authority would work with SFWCA to reach agreement on: (1) any refund or repayment of contributions to which the Water Authority is entitled, (2) the Water Authority's sale, lease, or transfer any rights it has in any Conservation Measures or any obligations to SFWCA, and (3) any debts, liabilities and obligations that the Authority may owe.

After a lengthy discussion Alternate William Bourdeau made a motion that the Committee recommend the Board of Directors authorize the Water Authority to withdraw from the SFCWA. The motion was seconded by Member Earl Perez and passed unanimously. The Committee action is reported as follows:

AYES: Michael, Perez, Bourdeau, Cattaneo, Stadler
NOES: None
ABSTENTIONS: White

6. Water Resources Committee to Consider Recommendation to the Board of Directors to Approve Resolution Authorizing Execution of the Temperance Flat Activity Agreement

Assistant Executive Director Frances Mizuno reported that the Water Authority was working with member agencies so that the Water Authority could be in a position to enter into a memorandum of understanding (MOU) that would address how entities interested in the Temperance Flat Reservoir Project will coordinate, cooperate, and cost share on preconstruction activities. Mizuno reported that, for the Authority to enter into the MOU, it was recommending the member agencies first enter into an Activity Agreement. Both a draft Activity Agreement and draft MOU was included in the packet. Interim Executive Director and General Counsel Jon Rubin gave a brief summary of proposed resolution, which would authorize execution of the MOU and the Activity Agreement.

Member Earl Perez made a motion that the Committee recommend the Board of Directors approve resolution before the Committee. The motion was seconded by Alternate Chris White and passed unanimously. The Committee action is reported as follows:

AYES: Michael, Perez, Bourdeau, White, Cattaneo, Stadler
NOES: None
ABSTENTIONS: None

7. Water Resources Committee to Consider Recommendation to the Board of Directors for Approval of the Activity Agreement Budget for FY19

Assistant Executive Director Frances Mizuno presented Draft #2 of the Activity Agreement Budget for FY19. Mizuno reviewed the changes that were made in response to recommendations made at previous Committee, and Board meetings.

After discussion with Committee members and staff, Member Steve Stadler made a motion that the Committee recommend the Board of Directors approve the Activity Agreement Budget for FY19. The motion was seconded by Member Earl Perez and passed unanimously. The Committee action is reported as follows:

AYES: Michael, Perez, White Cattaneo, Stadler
NOES: None
ABSTENTIONS: Bourdeau

8. **Update on Strategic Planning Effort**

Assistant Executive Director Frances Mizuno reported that the Request for Proposal (RFP) included in the packet went out last week. Also included in the packet is the list of consultants to whom the RFP was sent. Mizuno reported that she has already received 3 responses from consultants that will be submitting a proposal. Mizuno reminded the Committee that responses to the RFP must be received on or before 5:00 p.m., Wednesday, February 28, 2018.

9. **Update on California WaterFix Project**

No report given.

10. **Update on Reinitiation of Consultation on Biological Opinions Issued by National Marine Fisheries Service and United States Fish and Wildlife Service for Long-Term Operations of the Central Valley Project and State Water Project**

Interim Executive Director and General Counsel Jon Rubin explained that Reclamation has shifted the Reinitiation of Consultation into three tracks. Track 1: evaluates actions that can be accomplished in a short period of time, potentially including for example a modification to restrictions on South of the Delta to increase water supply. Track 2: Reclamation is looking at a programmatic environmental impact statement (EIS) for analyzing potential modifications to the continued long-term operation of the federal CVP that maximize water deliveries, and to increase operational flexibility by addressing the status of listed species. Track 3: Reclamation will project activities which includes, new or modified infrastructure, habitat restoration, other stressors, and/or regulatory changes, as necessary and timely.

11. **Update on Water Bond Initiatives, Including the Water Supply and Water Quality Act of 2018**

Deputy General Counsel Rebecca Akroyd gave a brief summary informing the Committee that the Water Bond of 2018 would invest \$8.877 billion dollars in California water and water infrastructure. Within these categories, there are funds that could be used to directly benefit Water Authority members, including:

- Safe Drinking Water \$500 Million
- Wastewater Treatment \$250 Million
- Groundwater Sustainability and Storage \$640 Million
- Desalination of Brackish Groundwater \$400 Million
- Water Conservation \$300 Million
- Flood Management for Improved Water Supply \$200 Million
- Flood Management – Reservoir Repair or Reoperation \$100 Million

- Capture and Use of Urban Runoff and Stormwater \$400 Million
- Integrated Regional Water Management \$5 Million
- Water for Migratory Birds \$280 Million (including \$110 million for refuges)

Akroyd concluded stating that the Bond also identifies funds for projects that may have “indirect benefits” for Water Authority members.

12. Update on WIIN Act, Section 4011 – 9d Conversion

Assistant Executive Director Frances Mizuno reported that Section 4011 of the WIIN Act allows districts to make a request to Reclamation to convert their water service contract to a repayment contract. Reclamation did a briefing at the Water Users Conference, and the material is included in the packet. Mizuno also informed the Committee that she has asked Mario Manzo to attend the March Board meeting to walk through the presentation, and answer any questions.

13. Update on Water Operations

Water Resources Engineer Tom Boardman reported that, with CVP San Luis now full, C.W. “Bill” Jones Pumping Plant is pumping with 3 units (2,700 cfs) and meeting direct demands. The Harvey O. Banks Pumping Plant is pumping at about 3,400 cfs while the SWP is filling the remaining 300 TAF of available space in SWP San Luis. Exports have been limited by an OMR limit of -5000 cfs under the salmon BiOp. However, the export constraint is expected to shift to an X2 requirement under DI641 by the end of the week due to declining delta inflow.

Boardman also reviewed two San Luis storage projection charts under 90% and 50% exceedance conditions. The charts showed that a sustained draw down in CVP San Luis may occur later in February with sustained dry conditions. But, under average conditions, CVP San Luis could remain full until the end of March. The SWP is not expected to fill its share without above normal hydrology.

Boardman concluded his report with a discussion about rescheduled water in that Reclamation’s cap of 150 TAF is unchanged and that no foregone pumping has accumulated to date. If a sustained draw down begins later in February, Districts would have an unlimited time to use the water.

14. Closed Session

No closed session.

15. Reports Pursuant to Government Code Section 54954.2

No report given.

16. Adjournment

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