



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
DECEMBER 21, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:35 a.m. Board Members present were Jim Jasper, Tom Dompe and Bill Koster. Board Member Lucich arrived at 8:45 a.m.

2. OPPORTUNITY FOR PUBLIC COMMENT

Board Member Koster mentioned a letter he received from the West Side San Joaquin River Watershed Coalition. Anthea indicated that Item 7 in the packet would cover that subject for discussion.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea requested to have Closed Session first as that was when Ernest Conant (District Counsel) was available. There were no additional Additions/Revisions to the Agenda and was approved as follows:

Ayes: Jasper, Dompe, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Perez, Escobar

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 11/16/16

The Minutes for the Regular Meeting of 11/16/16 were provided in advance for the Board's review.

B. Monthly Accounting Report

The Monthly Accounting Report for November 2016 was provided in advance for the Board's review.

C. Monthly Field Operations Report

The November Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Dompe, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Perez, Escobar

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that things had been tentative due to a few storms, and the potential for turbidity due to those storms and releases for flood control out of Folsom. A decision was made over the past weekend that slowed pumping to 3 units with an increase to take place once turbidity dissipated. The Regional Director had sent an email informing Contractors that pumping would be cut from 4,200 CFS to 3,500 CFS as to avoid action 1, if triggered would mandate reverse flows in Old Middle River to no more than -2,000 CFS. She added that if Action 1 was triggered, Action 2 would limit O&MR reverse flows to between -5,000 and -1,250 CFS through April/May. Due to these factors, Tom Boardman was predicting more possibility that District will find itself in the 90% exceedance forecast and likely at another 0% allocation for the coming year. SLDMWA's December Project Operations Update and a Refill Projection graph were reviewed.

- B. Monthly Supply/Use/Completed Transaction Summary Report as of 11/30/16  
Adam reported use for the month of November at 190 AF, transfers out of 80 AF, a total supply of 67,449 AF projected to be available for the 2016-17 year, and an estimated 38,892 AF projected for rescheduling into the 2017-18 water year.
- C. Additional Supplies Report Draft as of 11/30/16  
Anthea provided an Additional Supplies Report Draft as of 11/30/16 as well as a Supply Revenue Estimates Report and reviewed several options with the Board. After review and discussion, the Board instructed Staff to hold on making any acquisition decisions for the moment.
- D. Bureau of Reclamation Plan to Address Extraordinary Circumstances Regarding Restoration of Supplies in the Federal Share of San Luis Reservoir – Request for Fee Reimbursement – Update  
No report.
- E. Estimate of Additional Supplies Available for Water Year 2017  
No report.
- F. Resolution Authorizing Execution of an Agreement for the Funding of Volta Wasteway Groundwater O&M Wells Costs and Exchange of Refuge Level 2 Water and Provision of Refuge Level 4 Water Between the United States and San Luis and Del Puerto Water Districts and San Luis & Delta Mendota Water Authority  
Anthea shared that the contract that had been approved previously by the Board needed a supporting Resolution indicating the authorization of its execution, which was approved as follows:

Ayes: Jasper, Dompe, Koster, Lucich  
 Nays: None  
 Abstentions: None  
 Absent: Perez, Escobar

- G. Review and Consider Schedule for Delivery of Well Water Pursuant to Agreement No. WS 2016-02-02 – West Stanislaus ID and Del Puerto WD  
Anthea reviewed the schedule for Delivery of Well Water Pursuant to Agreement No. WS 2016-02-02 – West Stanislaus ID and Del Puerto WD with the Board. After discussion, the Board indicated they would like to wait until next month before making any final decisions on the matter.

6. GROUNDWATER ACTIVITIES

- A. Stanislaus County Water & Technical Advisory Committee Report(s)  
Anthea reported that the Committee had requested information from the District for the PEIR Groundwater Modeling. She indicated that consolidated information, if available, would be provided by the beginning of January.
- B. Sustainable Groundwater Management Activities
  - 1. Groundwater Sustainability Agency Formation – Update  
Anthea shared that a hearing for establishing a Groundwater Sustainability Agency would be held in January before the next Board Meeting and that it was still contemplated that DPWD would be forming a GSA in partnership with Oak Flat WD, with DPWD being the Administrative Agency. Eastin WD had decided to join Stanislaus County's GSA. She indicated the District would be working with the other local GSA's to begin development of a GSP. She shared that the SLDMWA had received proposals for hiring the consultants that will assist with preparation of the GSP.

7. DRAINAGE ACTIVITIES

- A. SJVDA/Westside San Joaquin River Watershed Coalition Report(s)  
Adam provided a copy of a Memorandum from Summer's Engineering and reported that the Committee had discussed retroactive membership criteria for the Watershed Coalition and determined that a current applicant would be accepted but with the requirement for full payment of back fees as a condition of membership. A list of Landowners from the District who had not provided NMP or FEP documentation was discussed. Adam shared that the Regional Board indicated they would be sending Notice of Violation letters to those individuals. He stated that District had prepared pre-notices to the Landowners from our District to in order to and give them

an opportunity to provide the requested reports before notices were sent out. Several discrepancies were noted and it was determined that an updated list would be prepared.

## 8. FINANCIAL REPORT

### A. 2015-16 Audited Financial Statement Presentation – Jeremy Ware

Jeremy Ware presented and reviewed Del Puerto Water District's 2015-16 Audited Financial Statement with the Board. Jeremy indicated that what he presented was a Draft for approval, but found it to be a very clean audit and thanked Anthea and Joy for assisting him with information he requested in a timely manner and the organization of their accounting paperwork. After review and discussion, the Board approved the 2015-16 Audited Financial Statement as follows:

Ayes: Jasper, Dompe, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Perez, Escobar

### B. Young-Wooldridge Fee Schedule Amendment - Report

Anthea provided Young-Wooldridge's proposed 2017 Fee Schedule Amendment, which had not been modified for three years.

### C. Statement of CVP Cumulative Operations for FYE 9.30.15 - Report

Anthea reported on this yearly Statement, which indicated that for the USBR's FYE 2015, DPWD Incurred a component of \$318,593.35 and had an unpaid construction balance of \$22,131,679.65. She added that the outstanding Intertie construction balance was an additional \$1,591,998.04.

### D. Treasurer's Quarterly Report for the 3<sup>rd</sup> Quarter Ending 11.30.16

Anthea provided the Treasurer's Quarterly Report for the 3<sup>rd</sup> Quarter ending 11/30/16. She reported that the current portfolio was sufficient to meet District's cash requirements under normal budget conditions, and that the situation reported earlier in the year to call on reserves to support the budget had been rectified. She anticipated over the next few months, repayment of the reserve funds used to purchase supplemental water would be finalized. Also reviewed were the Summary Report and Detailed Quarterly Report of Investments held at LPL Financial. After review and discussion, the Treasurer's Quarterly Report for the 3<sup>rd</sup> Quarter ending 11/30/16 was approved as follows:

Ayes: Jasper, Dompe, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Perez, Escobar

## 9. SUPPLY DEVELOPMENT PROGRAMS

### A. North Valley Regional Recycled Water Program – Update

Anthea provided Progress Reports from RMC for the Board's review and reported that the Modesto component of the pipeline's construction was underway. Turlock's SRF Loan Agreement was still being worked on and Modesto's SRF Agreement was implemented with their first request for funds underway. She also noted that grant funding requested from Prop 84 was being processed. She also reported that with support of DPWD, was working to secure Prop 1 funding designated for Refuges and would be requesting \$30M, which would fully cover the Turlock component. She added that Adam was in contact with Davis Ag Cleanup on the pending tree removal for the Allen property which was needed to facilitate the pipeline installation. Copies of notices with dates, times and locations for the next phase of the pipeline installation, were provided for the Board's review.

### B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that the USBR's Draft Environmental Assessment needed review and that edits would be made and submitted. Once finalized, construction on the 20 acre pond would be able to start, hopefully early 2017. Discussions with the landowner are still underway.

C. Del Puerto Canyon Reservoir Project - Update

Adam reported that he had been working to provide data to AECOM required for their operational analysis, which should be complete in January.

10. ADMINISTRATIVE ACTIVITIES

A. SWRCB Fee Litigation – Update on Appeal Process

Anthea shared that last month the Board approved payment under protest to the SWRCB. A request for the expected timeframe for oral argument before the California Court of Appeal and any possible reasons for the delay in disposition of the appeal had been made and she provided a memo was sent explaining the process and that the time taken for the appeal likely could not be expedited.

B. 2017-18 Budget Preparation and Related Activities Schedule

Anthea reported that it was time to begin preparing the 2017-18 Budget and Related Activities Schedule. She indicated she hoped to have information ready for the Board at January's BOD Meeting. She added that District had been subsidizing both the Administrative and Water Rates for a couple of years, but likely would have to set rates to fully recover those costs for the upcoming year in order to maintain minimum reserves.

11. SLDMWA ACTIVITIES

A. SLDMWA Minutes, Operations & Open Session Legal Reports

The SLDMWA November Regular Meeting Minutes were provided for the Board's review. Anthea reported that the SLDMWA Board had approved participation in a Genetic Mark-Capture Project to Improve Vital Rates Estimation of Winter-Run Salmon, where the markings would be used to characterize reproductive success among individuals and hatchery contribution to in-river juvenile winter-run salmon production. Contract costs were not to exceed \$100,000.00 and would be split 50-50 with the GCID. A second project that pertained to a Floodplain Food Production Pilot Program in the Sacramento Valley had also been approved in December. The goal was to demonstrate the efficacy of producing food through floodplain inundation by enlisting up to 10,000 acres of rice fields into the Program in winter/spring of 2017. The Water Policy Administrator Report and Executive Director's report were also provided for the Board's review.

B. SLDMWA Public Information Program – Update

The Communications Plan Report was provided for the Board's review. The plan proposed where to improve and expand social media strategies including communications with other agricultural-related organizations.

12. MANAGERS REPORT

A. Federal Legislation

Anthea provided the President's Statement on the Water Infrastructure Improvements for the Nation (WIIN) Act and the Family Farm Alliance Federal Water Policy Platform for the Board to review.

B. State Legislation

There was nothing to report on this item.

C. CA Water Fix

A copy of a Solution Package for the California Water Fix was provided and Anthea reported she had recently attended a meeting with both Contractor and USBR representatives to discuss how the California Water Fix could be implemented in the event the project moved forward. The proposal outlined showed that CVP SOD Contractors would be able to choose whether or not to participate. There was confusion on how the project would be operated due to complications with dual conveyance. Anthea informed the Board that a decision would soon be made as to whether or not to participate in this project and advised that not all information necessary to make that decision would be available, making it difficult. Lastly, she added that if the project did move forward, it was expected to be subject to litigation.

D. State and Federal Contractors Water Authority – Update

There was no report on this item.

E. SWRCB Water Quality Control Plan – Phase I (Substitute Environmental Document) & Phase II Process - Update

Anthea reported on the Modesto Hearing for the SWRCB's Water Quality Control Plan for the San Francisco Bay-Sacramento/San Joaquin Delta Estuary: San Joaquin River Flows and Southern Delta Water Quality (i.e. the Draft Substitute Environmental Document). She noted that the Substitute Environmental Document calls on the Cities' to utilize their recycled water to take care of their needs, however, the City of Modesto reminded the Board during the hearing that they have contracted with DPWD for the use of that water. She indicated she would also write a letter commenting on the SED.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea provided and reviewed the 2016 Crop Report Summary and 2015 Crop County Comparison Report. She also reported that RMC Water and Environment recently merged with Woodard & Curran and changed their name to the latter. An Agenda to the WaterRuse Association Meeting was provided for the Board's review. A MPRWUC Scholarship Silent Auction Flier was presented and Anthea asked if anyone would be willing to donate items for it. Lastly, she provided all the Board of Director Regular Meeting Dates for the Board to review and asked that January's meeting be moved to the 4<sup>th</sup> Wednesday and kept all others on their regular schedule of every 3<sup>rd</sup> Wednesday of the month.

14. CLOSED SESSION

Upon return from Closed Session, Anthea reported that the Board authorized Staff to continue working on terms of an Agreement for the exchange and wheeling of water between West Stanislaus Irrigation District and Del Puerto Water District as follows:

Ayes:	Jasper, Koster, Bays
Nays:	Dompe, Lucich
Abstentions:	None
Absent:	Perez, Escobar

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:26 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
NOVEMBER 16, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:37 a.m. Board Members present were Jim Jasper, Earl Perez, Bill Koster and John Escobar.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no Additions/Revisions to the Agenda and was approved as follows:

Ayes: Jasper, Perez, Koster, Lucich and Escobar  
Nays: None  
Abstentions: None  
Absent: Dompe

Note: Board Member Lucich arrived at 8:41 a.m.

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 10/19/16

The Minutes for the Regular Meeting of 10/19/16 were provided via email in advance for the Board's review. Anthea mentioned that the final draft would not be processed until that Friday, in case a Board Member wanted to provide corrections or changes.

B. Monthly Accounting Report

The Monthly Accounting Report for October 2016 was provided in advance for the Board's review.

C. Monthly Field Operations Report

The September Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Perez, Koster, Lucich and Escobar  
Nays: None  
Abstentions: None  
Absent: Dompe

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided the November SLDMWA Project Operations Update and reported that in the last 10 days of October, improvements in delta salinity and recent storms helped to support full pumping at Jones, but that it since reduced to one unit and the cross channel gates closed for a week due to salinity levels rising. She also shared that Director Murillo was sending memos on operations and meetings are being held again weekly. Anthea reported that during the months of November until December 25<sup>th</sup>, pumping should be at its highest to promote storage, yet with pumping restrictions that had recently happened, about 8 TAF of potential daily storage was lost. The latest COA report showed the account nearly balanced and projected to remain balanced through winter and spring under both 90% and 50% exceedance conditions. A chart was provided that showed Shasta's reservoir storage had a 50% chance of refilling to at least 4,300 TAF by next spring based on 1992-2016 basin hydrology. Indicators that it was likely there would be no initial

allocation for next year, although there seemed to be a slight chance a small allocation might be available by summer.

B. Monthly Supply/Use/Completed Transaction Summary Report as of 10/31/16

Adam reported use for the month of October at 1,806 AF, a total supply of 67,365 AF projected to be available for the 2016-17 year, and an estimated 38,406 AF projected for rescheduling into the 2017-18 water year. Anthea added that 401 AF of October's use was transfers out of the District and that the Exchange Contractor and 4S Transfers were completed. Grasslands WD, the Volta Well Exchange and the Turlock Transfer will be providing a small amount of water through the winter. The OID water had been moved in October but credit for that had not shown yet. There were no other transactions forecasted unless groundwater pump-ins from WSID were approved next month.

C. Additional Supplies Report Draft as of 10/31/16

Anthea provided the Additional Supply Source Options Report and reviewed two potential scenarios, with and without additional groundwater purchase.

D. Bureau of Reclamation Plan to Address Extraordinary Circumstances Regarding Restoration of Supplies in the Federal Share of San Luis Reservoir

Anthea indicated that a portion of this item would be taken in closed session, but reported in open session that discussions with Reclamation regarding the "borrowed" water have not resulted in any new agreements on how the water will be returned to those Districts affected. A copy of the *Bureau of Reclamation Plan to Address Extraordinary 2016 Circumstances Regarding Restoration of Supplies in the Federal Share of San Luis Reservoir* plan was provided for the Board's review. Anthea explained that Reclamation plans to have all borrowed water in the reservoirs by the end of the calendar year, and if unable to, planned on meeting with the contractors to discuss ideas on how to obtain the water (despite having done that already). She added that several meetings to develop operational guidelines going in to the 2017-18 year had been held. She also reported that a request to have District's re-scheduling fees refunded was in the works.

6. GROUNDWATER ACTIVITIES

A. Stanislaus County Water & Technical Advisory Committee Report(s)

1. Programmatic Environmental Impact Report – Update

Adam reported that the County is developing a groundwater model as part of the PEIR and added that they could potentially be requesting individual well water information. Adam added that he expressed concerns that private information could be made public. He suggested a broader range of information such as only reporting the amounts on wells by sections of the District, rather than individual well reporting.

B. Sustainable Groundwater Management Activities

1. Review of Overlapping Boundary Issue with City of Patterson and Consider Draft Form of Out of Boundaries Water Service Contract to be Offered to Detaching Parcel(s)

Anthea reported that the District's San Joaquin County boundary adjustment had been approved, but that the District and the City of Patterson still had a few parcels overlapped. Letters had been sent to those parcel owners with an offer to continue to service those lands outside District's boundaries. One Landowner had expressed the desire to detach and permanently discontinue service, while the rest accepted the concept. Drafts of said contracts were provided for the Board to review. Anthea stated that the Contracts would not be executed unless LAFCO approves the detachments. She also indicated that she would confer with legal counsel before any contracts were finalized. After discussion the Board approved Staff to proceed with the Out of Boundaries Water Service Contract once approved by District Counsel as follows:

Ayes:	Jasper, Perez, Koster, Lucich and Escobar
Nays:	None
Abstentions:	None
Absent:	Dompe

2. Review Groundwater Sustainability Agency Formation Process and Discuss Options

Anthea reported that she and Board Member Jasper attended a meeting of the Eastin WD Landowners where discussion of their options on how to deal with and comply with the GSA Formation Process took place.

7. DRAINAGE ACTIVITIES

A. SJVDA/Westside San Joaquin River Watershed Coalition Report(s)

Email correspondence from Summer's Engineering was provided which announced the required Coalition meetings being held in Los Banos, Newman and Westley during the months of December and January.

8. FINANCIAL REPORT

A. 2015-16 Financial Audit Status – Update

Anthea reported that Jeremy Ware had performed the Audit site visit and found no issues. She indicated the final Audited Financial Statement would be presented at the next BOD meeting, and that Staff planned to begin the February 2017 FYE Audit in the month of May next year to get back on track.

B. 2016-17 Financial Update/Cash Flow Report

Anthea provided a copy of the Cash Refund of Rebate Worksheet and reviewed the rebates scheduled to go to customers sometime in December. After discussion it was agreed to move forward with the rebates to those customers interested in receiving them and the Board approved the issuance of those rebates as follows:

Ayes: Jasper, Perez, Koster, Lucich and Escobar  
Nays: None  
Abstentions: None  
Absent: Dompe

C. Board to Review 2015-16 Additional Supplies Rebate Report and Consider Ability to Issue Outstanding Rebates to Customers Who Have No Pending Additional supplies Obligations

This item was covered with Item 8.B.

D. ADLP Collection Report 2016

Joy reported that all except one of the 2016 ADLP had been received. Anthea shared that the annual payment due in January is made after all receivables are in. She added that Staff was working on applying for another loan program, but would have to complete the Financial Audit before moving forward. She estimated this to be within the next couple of months.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

A copy of the RMC September 2016 Progress Report was provided for the Board's review. Anthea reported that construction had commenced along the Delta-Mendota Canal as of November 10<sup>th</sup>. She indicated that Environmental Training would be required for anyone to be present at the construction site. The final PSA with Allen Enterprises for the District to proceed with tree removal and had been signed and returned, clearing the path.

1. Term Sheet for Cooperative Effort to Secure Prop 1 Grant Funding Between Grassland WD and DPWD - Report

Anthea explained that Staff had been pursuing a cooperative effort for funding with Grassland WD, which is a wildlife habitat area, to offset some of the refuge costs associated with their participation in the NVERRP. She explained they wanted to request 30,000,000 to cover any remaining costs of the NVERRP and, in exchange, to have a portion of these funds credited back to them as prepayment for their future supplies. Anthea shared that she would like to move forward with this and would be meeting with District Counsel to strategize how to enhance benefits to District's growers. After review and discussion, the Board encouraged her to move forward with this effort.



- B. Orestimba Creek Recharge & Recovery Project – Update  
There was nothing to report on this item.

10. ADMINISTRATIVE ACTIVITIES

- A. Board to Receive Update on SWRCB Water Rights Fee Issue and Consider Draft Letter of Protest and Petition for Reconsideration

Anthea reported that District received its annual fee billing from the SWRCB which had increased from \$110,000.00 to \$115,000.00, and that Staff's recommendation was to pay under protest as in years prior, so as to not affect District's eligibility to qualify for SRF Loans, etc. Payments since 2003 had amounted to over \$900,000.00. Anthea shared that the appeal to this fee was circling its way through the courts, but no date for the final briefings had been set. After discussion, the Board approved the payment under protest and to participate in the petition for reconsideration to the courts as follows:

Ayes: Jasper, Perez, Koster, Lucich and Escobar  
Nays: None  
Abstentions: None  
Absent: Dompe

11. SLDMWA ACTIVITIES

- A. SLDMWA Minutes, Operations & Open Session Legal Reports

Anthea provided the SLDMWA Minutes, Operations & Open Session Legal Reports to the Board for review. She reported that recently, the main focus had been on budgets and that at the Finance Committee meeting they reviewed the O&M Technical Committee's recommendation to the Finance Committee for the O&M Budget for 2017-18. The biggest issue was that the Jones and O'Neill Pumping Plants have pumping units that need rewind due to 30 years of operation. The cost estimated at \$30M. The SLDMWA Activities Budget would be available in January and Anthea shared that she had been inquiring about getting more information on it. She discussed proposed staffing changes that will take place due to several retirements from the agency in the near future.

- B. SLDMWA Public Information Program – Update

Anthea reported that this program changed direction with respect to cost sharing, but still questioned the benefits it provided in terms of improved water supply.

12. MANAGERS REPORT

- A. Federal Legislation

There was nothing to report on this item.

- B. State Legislation

There was nothing to report on this item.

- C. CA Water Fix

- 1. Report on Potential Actions Re: Remaining SLDMWA DHCCP2009A Note Proceeds

Anthea provided the Board with the SLDMWA report on Note Proceeds noted that although District did not have a monetary stake in this decision, she wanted to make sure she understood there was no exposure to the District or other non-participating members of the SLDMWA. She shared that there are \$4.2 million that have not been spent out of the \$50 million bond and DWR had asked the Water Authority whether they would like to contribute that money to cover Budget overages on the planning effort. A list of the DHCCP Steering Committee Members with interest in the 2013A Bonds was provided.

- D. State and Federal Contractors Water Authority – Update

Anthea reported that SFCWA had revised their strategic objectives and seemed to now be even more focused on habitat restoration and science. Their draft budget showed next year's membership rates for the SLDMWA at \$792,500.00, with 10% of that being District's share of the payment and she requested a detailed report from that budget. She also questioned the Authority's approval of hiring a Science Manager since she believed that was SFCWA's role and wanted to make sure believed it would not be a duplication of a job already being done.

E. SWRCB Water Quality Control Plan – Phase I (Substitute Environmental Document) & Phase II Process - Update

Phase I of the SWRCB Water Quality Control Plan had been released and several public meetings in Sacramento would be taking place and adoption of Phase I could come as soon as January. Litigation was most likely certain and Phase II was scheduled to come out after that.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea mentioned that she didn't include news articles in this Board Packet and asked the Board if they happen to read any of the articles normally included. They mentioned they like the articles, and Pete suggested emailing them so they could be more current.

14. CLOSED SESSION

Upon return from Closed Session, Anthea reported that the Board heard information about potential litigation on the issue of borrowing stored supplies from 2016 and gave guidance to Staff to continue discussions on the matter.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 10:42 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
OCTOBER 19, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:35 a.m. Board Members present were Jim Jasper, Earl Perez, Tom Dompe, Bill Koster and Pete Lucich.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no Additions/Revisions to the Agenda and was approved as follows:

Ayes: Jasper, Perez, Koster, Lucich and Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 9/21/16

The Minutes for the Regular Meeting of 9/21/16 were provided in advance for the Board's review.

B. Monthly Accounting Report

The Monthly Accounting Report for September 2016 was provided in advance for the Board's review.

C. Monthly Field Operations Report

The September Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Perez, Koster, Lucich and Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that since October 1<sup>st</sup>, Jones Pumping Plant had pumped 127,753 AF, but only 22,394 AF of that had been counted for federal storage; the difference presumably was being used to pay back borrowed supplies. Salinity issues with tides continued to be an issue during pumping. She added that the next set of regulatory restrictions would take place in December 2016.

B. Monthly Supply/Use/Completed Transaction Summary Report as of 9/30/16

Adam reported use for the month of September at 2,941 AF, a total supply of 67,290 AF projected to be available for the 2016-17 year, and an estimated 38,725 AF projected for rescheduling into the 2017-18 water year. Adam also reported that the Turlock Interim Transfer started on October 4<sup>th</sup> and was averaging 30 AF a day.

C. Additional Supplies Report Draft as of 9/30/16

Anthea presented an updated Additional Supplies Report Draft and reported that it had been revised to reflect North of Delta transfers purchased in 2014 and 2015 with a CVP rate. Anthea explained that she was misinformed about whether the NOD settlement water (which has a majority of the NOD Transfers) had a rate associated with it and would be considered chargeable acre feet to the District that receives it.

Anthea shared that she was currently working with Frances Mizuno of the SLDMWA on a white paper to the Bureau of Reclamation trying to object to those acre feet being counted as "chargeable" as it conflicts with transfer policy.

D. Board to Consider Agreement for Participation in Supplemental CVP Supply Resulting in OID/SSJID Fish Flow Release and Ratifying General Manager's Execution of Agreement

Anthea reported on the District's opportunity the week prior to participate in its fair share of the Supplemental CVP Supply resulting from the OID/SSJID Fish Flow Release Agreement, and reviewed several scenarios with the Board. After review and discussion, the Board agreed to ratify Management's decision to option the water, pending responses to District's signups and marketing of the current years available supplies, and approved the motion as follows:

Ayes:	Jasper, Koster, Lucich and Dompe
Nays:	None
Abstentions:	Perez
Absent:	Escobar

E. Board to Review and Consider Options for Storage/Sale/Exchange of Supplies Excess to Current Year In-District Needs

There was no report on this item.

6. GROUNDWATER ACTIVITIES

A. Stanislaus County Water & Technical Advisory Committee Report(s)

1. Programmatic Environmental Impact Report – Update

A Notice of Preparation for the County's Program Environmental Impact Report (PEIR) on Discretionary Well Permitting and Management Program along with copies of a power point presentation were provided for the Board's review. The purpose of the PEIR was to streamline the environmental review process for individual discretionary decisions, to help refine the well permitting and management program through the development of mitigation measure, if needed, and to provide a more robust environmental basis for implementation of the program.

2. SWRCB Phase I (Substitute Environmental Impact Report) – Update

A copy of the Bay-Delta Water Quality Control Plan Update: San Joaquin River Flow and Salinity Objectives Power Point presentation was provided for the Board's review. Anthea briefly reviewed the presentation. Also included was correspondence from Governor Brown to the SWRCB regarding urgency in completing the remainder of their analysis on the Sacramento River basin and asking that the Board and staff prioritize analysis and implementation of voluntary agreements.

3. Groundwater Sustainability Agency Formation Update

Anthea reported that the final boundary change for San Joaquin County Lands had been approved but it had been discovered that the City of Patterson and DPWD have about 7 parcels that overlap boundaries, which was not allowed under SGMA. After meeting with the City of Patterson, it was decided to reach out to the landowners and suggest detachment from the District. A meeting was planned to outreach to those landowners and explain the process of the detachment and the option to continue water service under a contract with the District. A list of steps required to form the GSA was also provided for the Board's review. The deadline to form is June 30, 2017 and Anthea estimated at least 90 days to perfect the Application.

7. DRAINAGE ACTIVITIES

A. Westside San Joaquin River Watershed Coalition Report

Adam reported that the recent meeting he attended and reported that the State Board disagreed with the Watershed Coalition's definition of High Vulnerability, therefore in the coming year, more parcels would more likely be classified as high vulnerability. He also indicated they were attempting to set up a class passed by the State Board where growers could be certified to prepare their own sediment erosion control plans.

B. San Joaquin Valley Drainage Authority Report

Adam provided the Agenda to the SJVDA Steering Committee meeting and reported that they covered real-time salinity management as well as reviewed some existing projects.

8. FINANCIAL REPORT

A. USBR 2017 Draft Rates – Report

Joy presented the Board with a copy of the Draft CVP Irrigation Water rates for 2017. She reported that DPWD's Cost of Service Rate was estimated at \$81.68/AF and gave an overview on how the rates were established.

B. Treasurer's Financial Report for the Second Quarter Ending August 31, 2016

Anthea presented the Board with the Treasurer's Financial Report for the Second Quarter Ending August 31, 2016 which included the Statement of Compliance of Investment Policy, Quarterly Report of Investments and the Detailed Quarterly Report for Investments held at LPL Financial and reported that she updated the Treasurer's Statement due to the evolving situation explaining that the District had most of its cash reserves invested in supplemental water supplies which had not yet been subscribed to and once those supplies were marketed, cash reserves would return to normal levels. Management continued to seek direction from the Board regarding cash demands and the 2016-17 supply situation. After review the Board approved the Treasurer's Financial Report for the Second Quarter Ending August 31, 2016 as follows:

Ayes: Jasper, Perez, Koster, Lucich and Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar

C. 2015-16 Financial Audit Status – Update

Anthea reported that preparation for the 2015-16 Audit was underway and would hope to be ready for Jeremy Ware in the next few weeks.

D. 2016-17 Financial Update/Cash Flow

There was nothing to report on this item.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that the 1485 Permit that supported the Turlock Interim Transfer was approved and were working on the 1211 Petition, which is the final Water Rights Permit for the NVRWP. She also reported that the Turlock City Council approved the RFP for Professional Design Services for the City of Turlock Component of the NVRWP and would have their selection from submittals by December 13, 2016. She requested Adam Scheuber be included in the selection process. Adam presented an Agenda and reported that he met with the Creative Alliance Group where they met with the stakeholders for the project to assure everyone involved was in the same page and lines of communication were clear and open. He felt it was a good meeting. Anthea reported on the Allen Easement Acquisition and shared that there seemed to be some appurtenances to the Project pipeline that needed to be located within the easement. An exhibit was added to the Purchase and Sale Agreement that lists the appurtenances, their description and location and the District was awaiting a response from the Allen family. She and Adam met with Carollo to discuss possibly relocating the appurtenances. Email correspondence pertaining to the appointment of Levi Johnston of USBR as the RWSP Facilities Construction Project Manager was also provided.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that the next steps were to finalize scope of work for soils testing, location and shape of 20 acre site, discuss scope and timing of 20 acre test project, coordinate with Adam Scheuber for test pond monitoring and well monitoring, run tests, prepare analysis report and recommendations for next steps as well as a few other tasks. Project bids will be sent out in January 2017 and construction of ponds would begin in April 2017. Recharge tests are hoped to be conducted by October 2017 through February 2018. Permit and construction of a recovery well and pipeline to the DMC, installation and power to the site to be done between April 2017 and April 2018.

C. Del Puerto Canyon Reservoir Phase 2a1 Feasibility Study – Board to receive proposal update and Review and Consider Amendment No.1 to the Consulting Services Agreement with AECOM

Adam provided the Scope of Services and Cost Proposal for Additional Conceptual Reservoir Operations Analyses for DPWD Canyon Reservoir from AECOM for the Board's review. He explained that it builds on the reservoir operations analyses completed as part of the Phase I Feasibility Assessment, which assessed the potential for flaws that would preclude or otherwise inhibit development of the proposed DPCR, which DPCR

did not appear to have. After review and discussion, the Board approved the Amendment No. 1 to the Consulting Services Agreement with AECOM as follows:

Ayes: Jasper, Perez, Koster, Lucich and Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar

#### 10. ADMINISTRATIVE ACTIVITIES

A. Board to Review and Approve Non-Corporate Resolution(s) Authorizing the Establishment of Depository Accounts at Oak Valley Bank and LPL Financial in support of the NVRWWP/RWSP Funding

Anthea reported that in anticipation of the USBR's 10 million advance and a potential additional \$15 million, separate banking and investment accounts would need to be set up. Although construction has not begun, these funds needed to have depository accounts opened and asked for the Board's approval. After discussion, the Board approved the Establishment of Depository Accounts at Oak Valley Bank and LPL Financial in support of the NVRWWP/RWSP Funding as follows:

Ayes: Jasper, Perez, Koster, Lucich and Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar

B. Board to review and Consider Approval of Employer Loan Provision supporting the CalPERS 457 Loan Program and Resolution Authorizing Same

Anthea shared that the District has an established contract with CalPERS where employees can deposit money into supplemental retirement program, and during a recent visit from the fund representative learned of an option for employees to temporarily borrow their own money for temporary needs. After review and consideration the Board approved the Employer Loan Provision supporting the CalPERS 457 Loan Program and Resolution Authorizing Same as follows:

Ayes: Jasper, Perez, Koster, Lucich and Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar

#### 11. SLDMWA ACTIVITIES

The SLDMWA Board of Directors Meeting Agenda was provided for the Board's review. Anthea provided a copy of a list given to her by Jason Peltier at a meeting consisting of 33 things he could think of that he was pondering as the new leader of the SLDMWA. She added that the SLDMWA Board did take action to approve the addition of a new position of Science Manager within the SLDMWA management team.

#### 12. MANAGERS REPORT

A. Federal Legislation

Anthea indicated there was no Federal legislation update.

B. State Legislation

A new Assembly Bill No. 1755 "The Open and Transparent Water Data Act" was signed into law by Governor Brown on September 23<sup>rd</sup> where DWR would collect and monitor water data, transfers, resources and available water and making a statewide platform to house all the collected data. It would be created by appropriating General Funds. No fees will be associated with this.

C. CA Water Fix

Anthea provided a letter she wrote to BOR Regional Director Murillo pertaining to the potential Resolution of Friant Protest to California Water Fix Change Petition where she expressed her concern over settlement discussions with Friant and DWR that could potentially impact the way the Bureau allocates water supplies in the future and reminded the USBR that the contract specifically requires that the USBR to coordinate with the District on any agreement that "would materially affect the quantity or quality of Project Water supply, the allocation of Project Water supply and Project financial matters shall be communicated and coordinated with

the District, and any other affected Project Contractors, in order to further our mutual goals and objectives.” (Article 19A). She reported that his response was via email and he indicated that several agencies had addressed the same issue but would only reach out if he believed any of those other settlements have the potential to materially affect the quantity or quality of Project Water Supply. Anthea also reported that the testimony continued at the State Board and rulings had been issued on Part 1 of the testimony rejecting some of the testimony as being outside the scope and moved part of it to Part 2. An article from the Associated Press on the tunnels was also included.

D. Request to SWRCB for Emergency Regulations to Protect Public Trust – Report

Anthea provided a copy of the State Water Resources Control Board response letter pertaining to the adoption of emergency regulations to establish a minimum level of summer Delta flow for the smelt habitat to prevent the possible extinction of the species.

E. State and Federal Contractors Water Authority – Update

The SFWCA Board Retreat Summary was provided for review and Anthea reported that District pays about \$200,000 in dues yearly for the SFCWA to the SLDMWA. She indicated that SFCWA focuses on the coordinated science and habitat implementation projects that State and Federal Projects can't get accomplished.

F. Friant vs. United States Federal Court of Claims Filing – Report

A copy of an article pertaining to Friant Division Contractors filing a claim for damages over lack of water deliveries in 2014 against the United States Bureau of Reclamation as well as a copy of the filings were reviewed.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Copies of articles pertaining to the NVRWP Groundbreaking event on August 26<sup>th</sup>, Jason Peltier's report on his Australian tour of the Murray-Darling river basin, Reclamation's release of additional water from Trinity to supplement flows in the Lower Klamath River and Farmers compensated for pumping were provided. Anthea also shared an overview of a recent meeting she participated in with Kamala Harris who was running for U.S. Senate.

14. CLOSED SESSION

Upon returning from Closed Session, Anthea reported that the Board met and reviewed several items with the Real Property Negotiator where they gave guidance and took no action.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:32 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS / LANDOWNER & CUSTOMER MEETING  
SEPTEMBER 21, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:33 a.m. Board Members present were Jim Jasper, Earl Perez, Bill Koster and Pete Lucich.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. CLOSED SESSION

Anthea reported that the Board took action in Closed Session to approve a Supplemental Agreement to the Purchase Sale Agreement with City of Modesto which will allow the District to begin removal and disposal of 2 acres of trees and re-configuring of the Landowner's irrigation system along an easement area of the NVRWP pipeline. The Board approved the Draft Supplemental Agreement as follows:

Ayes: Jasper, Perez, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Escobar and Dompe

4. CONSENT CALENDAR

A. Minutes for the Special Meeting of 8/1/16 and Regular Meeting of 8/17/16

The Minutes for the Special Meeting of 8/1/16 and Regular Meeting of 8/17/16 were provided in advance for the Board's review.

B. Monthly Accounting Report

The Monthly Accounting Report for August 2016 was provided in advance for the Board's review.

C. Monthly Field Operations Report

The August Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Perez, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Escobar and Dompe

5. PRIOR MONTH'S WATER OPERATIONS & SUPPLY REPORT

A. Monthly Supply/Use/Completed Transactions Summary Report as of 8/31/16

Adam reported use for the month of August at 4,378 AF, a total supply of 66,389 AF projected to be available for the 2016-17 year, and an estimated 33,333 AF projected for rescheduling into the 2017-18 water year. Anthea also reported that the increase in estimated total supplies for the year was due to the repayment of 1,800 AF of PID and WSID "exchange water".

B. Additional Supplies Report Draft as of 8/31/16

Anthea provided a snapshot of the 2016 Additional Supply Source Options and reported that the District projected it could develop just over 23,000 AF for the year. The average cost of the pool was estimated at \$492.63 if all supplies are sold.

C. Turlock Interim Transfer Update -- Resolution Approving WA Contract no. 14-WC-20-4544



Anthea reported that the Water Rights Permit for the Turlock Interim Transfer had been issued and that the Monitoring Program requirements were soon to be approved by the State Board. She indicated that Staff had reviewed a draft of WA Contract No. 14-WC-20-4544 and provided a Draft Resolution Authorizing the Execution of a Temporary Contract with the USBR to Provide Storage and Conveyance of Non-Project Water for the Board's approval. Upon discussion and review, the Board approved the Draft Resolution of the Board of Directors Authorizing the Execution of a Temporary Contract with the USBR to Provide Storage and Conveyance of Non-Project Water – Warren Act Contract No. 14-WC-20-4544 as follows:

Ayes: Jasper, Perez, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Escobar and Dompe

D. Review and Consider Schedule for Delivery of Well Water Pursuant to Agreement No. WS2016-02-02-West Stanislaus ID and Del Puerto WD

Anthea provided and reviewed the Agreement Between Del Puerto Water District and WSID for Delivery of Well Water and shared that the cost of this water was estimated to be \$368/AF, which included a 5% loss, Conveyance and O&M and Storage fees. After discussing the need for more information on customer's demands for this supply and how it would fit into the correct years' annual Additional Supplies Pool, the Board agreed to postpone any action on this Agreement until October's Board of Directors Meeting as follows:

Ayes: Jasper, Perez, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Escobar and Dompe

6. DRAINAGE ACTIVITIES

A. Board to Review and Consider San Joaquin Valley Drainage Authority Agreement for Services with Respect to Water Quality Sampling and Real Time Station Maintenance

Adam reported that there was no SJVDA meeting this month. He also provided and discussed an Agreement for Services from the San Joaquin Valley Drainage Authority under which Del Puerto Water District would maintain the real time stations and perform water quality sampling, the first of which had previously been done by the University of the Pacific, who would no longer be perform the service. After review and discussion, the Board approved the San Joaquin Valley Drainage Authority Agreement for Services with the Del Puerto Water District as follows:

Ayes: Jasper, Perez, Koster, Lucich  
Nays: None  
Abstentions: None  
Absent: Escobar and Dompe

**Meeting Recessed From 9:35 a.m. to 10:00 a.m. Board Member Lucich excused himself from the meeting at this time.**

6. 2<sup>ND</sup> CALL TO ORDER – WELCOME AND INTRODUCTIONS

President Gene Bays called the meeting to order at 10:05 a.m. and welcomed the Landowners in attendance. Board Members present were Jim Jasper, Earl Perez and Bill Koster.

7. 2016-2017 OPERATIONS PRESENTATION

Anthea welcomed everyone and gave an overview of Operations activities for the year, discussed the repayment obligations of the BOR for borrowed supplies out of San Luis Reservoir, which totaled over 300 TAF, Jones pumping restrictions and challenges with regulatory requirements, and Shasta storage. A graph of the 2016 San Luis Storage Projection was provided and discussed as well, showing that not much CVP supply would be available on the March 1 start of the next water year. She concluded that a 0% allocation for the coming 2017-18 year was likely.

8. ADMINISTRATIVE ACTIVITIES PRESENTATION

Anthea presented several of the Additional Supplies 2016 Source Options and pricing scenarios. She indicated that Staff would be communicating with customers to assist in estimating their water needs for the coming year as well as continuing to manage the unsold portion of this year's pool and working to protect supplies procured by the District. She next reviewed and discussed the Mid-Year Operating Budget Overview, Reserve Funding Snapshot and Investment in Water Assets, Current cash on hand, Operating Expenses, CVP Annual Accounting Analysis, and the FY' 15 USBR Deficit Billings. She explained that the District and its customers had quite a bit of cash investment in prepaid water, and that marketing of the remainder of the pool would enable the District to replenish cash reserves and finalize issuance of the 2015-16 Additional Supplies Pool Rebate. Other current financial considerations, including both potential increases and decreases to operating cash, were reviewed. The Administrative presentation concluded with an overview of the USBR's Annual Accounting Analysis for the Period Ending September 30, 2015, which showed that the District had been presented with a \$329,060 deficit which could either be paid within 30-days or carried forward with interest as a rate component in future years' estimated water rates.

9. GROUNDWATER MANAGEMENT ACTIVITIES PRESENTATION

Anthea gave a brief overview of the Sustainable Groundwater Management Act of 2014, which required mapping of agency Boundaries, formation of a Groundwater Sustainability Agency (GSA), and the development of a Groundwater Sustainability Plan (GSP) that is to be in place by January 1, 2020. She shared that if the District did not form a GSA as required, the default would be the County of Stanislaus or ultimately DWR for oversight. She noted that basin boundary lines on the District's Northern end were re-drawn in order to place the District in only the Delta-Mendota Sub-Basin instead of two different sub-basins. She encouraged everyone to visit the DWR website and study the law's requirements.

10. SUPPLY DEVELOPMENT PROGRAMS PRESENTATION

Adam reported that developing reliable supplies for the future was a priority for the District and gave a brief overview on the current Del Puerto Canyon Reservoir Project, specifically on the completion of Phase I and the future plans for Phase II. He indicated that both WSID and CCID had expressed interest in the next phase of the study. He also gave a review of the Orestimba Creek Recharge and Recovery Project, reporting success in the 1 acre test ponds and the effort to move forward with a 20 acre test site in the next due diligence Phase. Adam also reported that the NVRWP had its groundbreaking event in August and that construction was underway.

12. MANAGERS REPORT

Anthea overviewed the many other topics and activities that Staff was working on, including but not limited to the SLDMWA Activities and Budgets, USBR Financial Issues, California Water Fix, Long-Term Irrigated Lands Program/SJVDA, Federal/State Legislation and the Stanislaus County Programmatic Environmental Impact Study regarding County Well Permitting Activities, USBR Final Policy on M&I Shortage Provisions, Coordinated Operations Agreement Update, Long-Term Groundwater Banking relationship with Arvin-Edison Water Storage District, SWRCB Bay-Delta Plan Update and Agency rewriting of the 2008 Delta Smelt and 2009 Salmonid Biological Opinions. It was noted that the District continued to serve and represent its Landowners in all of these areas with a staff of only five (5) full-time employees.

13. QUESTION & ANSWER SESSION

A written question was received and it asked "What if a member/landowner of the District is not able to pay the yearly assessment of the loan for the new Recycled Water Project? Is there a lien put on your property?" and Anthea replied with a "yes". With the passing of the Prop 218 vote by Del Puerto Water District landowners, all irrigable acres within the District will receive their fair share of the NVRWP supplies to be made available, as well as the associated increased assessment.

14. ADJOURNMENT

Being no further business, the meeting was adjourned at 12:05 p.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS  
AUGUST 17, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:30 a.m. Board Members present were Jim Jasper, Earl Perez, Tom Dompe and Pete Lucich.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea reported that the minutes of the Special Meeting of 8/1/16 would be presented at the September Board Meeting. The Board approved the Additions and Revisions to the Agenda as follows:

Ayes: Jasper, Perez, Dompe, Lucich  
Nays: None  
Abstentions: None  
Absent: Escobar and Koster

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 7/20/16 & Special Meeting of 8/1/16

Minutes for the Regular Meeting of 7/20/16 were provided in advance for the Board's review. Special Meeting Minutes of 8/1/16 will be presented at the September Board Meeting.

B. Monthly Accounting Report

The Monthly Accounting Report for July 2016 was provided in advance for the Board's review.

C. Monthly Field Operations Report

The July Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Perez, Dompe, Lucich  
Nays: None  
Abstentions: None  
Absent: Escobar and Koster

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided recent pictures of San Luis Reservoir and Lake Shasta which showed the vast difference in storage levels - with San Luis extremely low and Shasta at risk of spilling - as a reflection of the current status of operations. She also reviewed Tom Boardman's August Project Operations Update and reported that although Jones was now running at four pumps, San Luis Reservoir would very likely not fill. A customer meeting was suggested to inform customers and landowners of the status of operations and September 21<sup>st</sup> was proposed since it is the regular Board Meeting date. Staff committed to send out a "Save the Date Notice" within a few days.

1. SLR Storage Deficiency Update

A graph was provided showing vast differences in stored supplies North of the Delta, where amounts had almost doubled from last year, versus the negative “in the red” storage levels for San Luis Reservoir. Also provided was a Summary of Stored Water in CVP San Luis showing 310,581 TAF as the amount of storage that should be in the reservoir, which was currently not there. Anthea provided and reviewed a draft contract sent by Reclamation for the “borrowed” water and indicated that said contract contained a statement saying that “*It will be Reclamation’s practice in the future to assure all agreements which allow for storage of non-project or other water supplies acquired or reserved by specific contractors for their use in the future in San Luis Reservoir, will contain language which establishes Reclamation’s latitude and coordination with the contractors with respect to the storage and use of said water and the scheduling risks assumed by contractors on whose behalf the water has been stored*”.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 7/31/16

Adam reported use for the month of July of 6,193 AF, a total supply of 65,834 AF projected to be available for the 2016-17 year, and an estimated 33,300 AF projected for rescheduling into the 2017-18 water year. Anthea reported that both Patterson Irrigation District and West Stanislaus Irrigation District had approached her about the remaining quantities of “exchange water” still owed, indicating that instead of waiting until future years as was agreed to, both District’s Boards expressed a desire to make the return sooner, which Anthea stated would cause no issues. If this occurs, it will have the effect of more water available in the 2016-17 Additional Supplies Pool, and likely more for Rescheduling into 2017-18.

C. Additional Supplies Report Draft as of 7/31/16

Anthea reported that with anticipating the return of about 1,700 AF from PID and WSID, the cost of the pool would be able to be reduced slightly. She did not have the amount at the time of the meeting and indicated she would be coming back with an amount at next month’s meeting.

1. Turlock Interim Transfer – Update

Anthea provided a copy of the Water Rights Draft Permit to Appropriate Water from San Joaquin River in Stanislaus County which would support the Interim COT Transfer. On August 1<sup>st</sup> the District had responded with comments on the reporting requirements and pending finalization, the Permit would be issued. She added that once approved, the Permit would be provided to Reclamation and a Warren Act Contract could be signed and in place by mid to late September, allowing the Transfer to move.

D. Board to Review and Consider Options for Storage/Sale/Exchange of Supplies Excess to Current Year In-District Needs

The Board considered this item covered and discussed with Item 5. A1. No action was taken.

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)

Anthea provided the TAC Agenda and reported the group continued to discuss the PEIR modeling, among other topics such as GSA formation and the Substitute Environmental Document to be released soon by the SWRCB.

B. Sustainable Groundwater Management Activities Report

1. Basin Boundary Adjustment Request – Update

Anthea reported that the Districts Basin Boundary Adjustment Request had been tentatively approved and the Water Commission should have its final set of public meetings and a final decision would be made in mid- September at which time all Del Puerto lands would be covered in the same Sub-basin.

2. Groundwater Sustainability Agency Formation – Update

Anthea shared that no steps had yet been taken to advance discussions with Oak Flat WD or Eastin WD about forming a multi-agency GSA, but that she hoped to do so soon.

## 7. DRAINAGE ACTIVITIES REPORT

### A. Westside San Joaquin River Watershed Coalition Report

Adam reported that Joe McGahan of Summer's Engineering wrote a letter on behalf of the Coalition to refute the additional reporting requirements being requested of the growers, specifically the testing of private wells, but he believes the State Board will likely not change their direction. Anthea questioned if domestic well testing was the practice under the Dairy Order, and Adam responded that he believed this was what the new guidelines were being based on. She also added that District would have to figure out how to assist its Landowners and Water Users on accomplishing the task if it became necessary. A Westside SJR Watershed Coalition Report showing the Farmer Report and Coalition deadlines was also provided for the Board's review.

## 8. FINANCIAL REPORTS

### A. SLDMWA O&M Rates - Update

Joy gave an overview of the SLDMWA Revised O&M Rates for the 2016 water year and reported that the rates had been reduced due to a re-calculation of forecasted deliveries by cost pool for the year, as well as updated cost estimates. The reductions would be retroactive to March 1, 2016.

### B. CalPERS 2015-16 Investment Returns - Report

Anthea provided a news release from CalPERS that reported on the preliminary 2015-16 Investment Returns which showed a .61% net return on investments for the 12 month period that ended June 30, 2016.

### C. 2015-16 Financial Audit Status

Anthea reported that the Audit would be performed later than expected due to some additional work required on her part which had been delayed.

## 9. SUPPLY DEVELOPMENT PROGRAMS REPORT

### A. North Valley Regional Recycled Water Program – Update

Anthea reported that Modesto's City Council approved the hiring of Myers-Rados Joint Venture as the most qualified design-build team for the Modesto Component of the NVRWP, with a total negotiated cost of \$48.3 million. She also shared that the City of Turlock approved an O&M Agreement with Modesto, which was provided for the Board's review. She also discussed ongoing communications with Stanislaus County regarding the County Permit Conditions in the proposed Encroachment Permit application. A State Lands Lease had been finalized by the NVRWP during the last month as well. Anthea also announced that a long-term 43 year contract with the Refuge Water Supply Program had been finalized and she reviewed the final terms with the Board. A reminder to the Board of the upcoming Groundbreaking Event for the NVRWP that would be taking place on August 26<sup>th</sup> was given and Anthea expressed how important Board Member attendance would be at the event. Also reported was that discussions were ongoing to finalize pipeline easement, which hopefully would be accomplished to avoid delays.

### B. Orestimba Creek Recharge and Recovery Project – Update

Anthea reported that the Project was scheduled to start in September, and that a lease purchase contract between the parties was in the drafting stages.

### C. Del Puerto Canyon Reservoir Phase 2a- I Feasibility Study Proposal – Update

Adam reported that he was working with AECOM on a larger scale cost analysis that also included the Project partners. He indicated he would have the results at the next Board meeting. Anthea also reported that Staff would be working on a draft Memorandum of Agreement to solidify a cost sharing relationship between the District and Del Puerto Canyon Reservoir participants.

## 10. ADMINISTRATIVE ACTIVITIES

Anthea reported that the Reclamation Reform Act Audit was scheduled for the beginning of September. She also shared that the District's summer intern, Kyle Nixon had his last day on Wednesday, August 10<sup>th</sup> and

Staff treated him to a much deserved farewell lunch and indicated he would be at the NVRRWP Groundbreaking Event on August 26<sup>th</sup>. The internship was successful for both Kyle and the District.

11. SLDMWA ACTIVITIES REPORT

A. SLDMWA Minutes, Operations & Open Session Legal Reports

The Minutes for the July 14<sup>th</sup> SLDMWA Board of Directors meeting, the O&M Report, Activities/the Executive Director's Issues Report, Open Session Legal Reports, and the 2016 Salmon Action Plan were provided and reviewed with the Board.

B. SLDMWA Public Information Program – Update

Anthea provided the Fenenbock Group – El Agua Expenditures to Date report, Transitional Funding Proposal for Spanish Language Media Campaign, El Agua's Income and expenses Report from March through June 2016, and gave a brief overview of the Program's plans for advertising the water situation to the Latino community. She reported that the SLDMWA Board had authorized \$20,000 of funding until they could receive a more detailed report in September

12. MANAGERS REPORTS

A. Federal Legislation – Update

Anthea noted that there was nothing to report on this item at the moment.

B. State Legislation – Update

1. Board to Review and Consider Resolution Opposing Proposition 53C

Anthea provided an ACWA Communications Tool Kit pertaining to facts about Proposition 53 and shared that this Proposition, if approved, would amend the California Constitution to require statewide voter approval of infrastructure projects financed by revenue bonds over \$2 billion. She shared that as a public agency, it is not allowed to lobby on the matter, could pass a resolution to oppose the Proposition and Anthea provided the draft sample from the SLDMWA for the Board to review. After discussion, Staff asked for guidance from the Board as they wished to pass a resolution taking a position. The Board requested more information before making a decision, and indicated a preference for just being kept informed of legislative matters.

C. CA Water Fix – Update

An article from the Associated Press reporting on Gov. Brown's appointment of former Secretary of the Interior Bruce Babbitt as an advisor to senior administration officials on the California Water Fix was provided for the Board's review.

D. Request to SWRCB for Emergency Regulations to Protect Public Trust - Report

A letter from the Defenders of Wildlife, NRDC and the Bay Institute to SWRCB regarding a request to the SWRCB for emergency regulations to comply with public trust obligation to prevent extinction of the Delta Smelt and the response to that letter from the SLDMWA were provided for the Board's review.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A letter from the Bureau regarding charges for the CVP Restoration Fund, CVPIA and Public Law 102-575 as well as several articles pertaining to water shortages were provided for the Board's review.

14. CLOSED SESSION (if deemed necessary)

There was no closed session necessary.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 10:37 a.m.

Respectfully submitted,

  
Anthea G. Hansen  
Secretary



**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
AUGUST 1, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 4:10 p.m. Board Members present were Earl Perez, Pete Lucich, Bill Koster, John Escobar and Jim Jasper. There were no public comments. There were no additions or revisions to the Agenda.

2. OPERATIONS UPDATE

Anthea reported that another pump had been started at Jones Pumping Plant as of the weekend prior, however no additional water was allowed out of Shasta. She also reported on the Bureau of Reclamation's borrowed water situation and added that the District had yet to be informed as to how or when the water would be paid back, but that the Bureau had assured it would be.

3. SPECIAL BOARD MEETING TO REVIEW AND CONSIDER A CONTRACT BETWEEN THE UNITED STATES AND DEL PUERTO WATER DISTRICT FOR THE EXCHANGE AND PURCHASE OF NORTH VALLEY REGIONAL RECYCLED WATER PROGRAM WATER

Anthea gave a brief overview of the negotiation process leading up to the Draft Contract and requested assistance from Ernest Conant, District counsel, to review the Draft Contract with the Board of Directors. Upon review and consideration, the Board agreed to approve execution of the Contract, and voted to adopt a "Resolution Authorizing Execution of Contract Agreement Between the United States and Del Puerto Water District for the Exchange and Purchase of North Valley Regional Recycled Water Program Water" as follows:

Ayes:	Perez, Escobar, Lucich, Jasper, and Koster
Nays:	None
Abstentions:	None
Absent:	Dompe

4. ADJOURNMENT

Being no further business, the meeting was adjourned at 4:54 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Anthea G. Hansen".

Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS  
JULY 20, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:37 a.m. Board Members present were Jim Jasper, Earl Perez, Tom Dompe and Bill Koster (arrived at 8:45 a.m.).

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea requested the addition of item 8D.- Quarterly Investments Report for the First Quarter Ending May 31, 2016 as it was not covered in June's meeting, and requested closed session to consider items listed in the agenda as well as an item that could potentially bring legal exposure to the District. The Board approved the additions and revisions to the Agenda as follows:

Ayes: Jasper, Perez, Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich and Koster

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 6/22/16

Minutes for the Regular Meeting of 6/22/16 were provided in advance for the Board's review.

B. Monthly Accounting Report

The Monthly Accounting Report for June 2016 was provided in advance for the Board's review.

C. Monthly Field Operations Report

The June Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Perez, Dompe  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich, Koster

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided and reviewed the SLDMWA July Project Operations Update and reported that the quantity of stored water in San Luis Reservoir much less than expected due to limited releases during June, constrained Jones pumping of less than 1,000 cfs/day average for June, greater than expected depletions and minimal snow runoff. Due to these factors, the District had been asked by USBR to conserve and manage daily deliveries, although this is already done as a standard practice. Because lack of available stored supplies in the SLR was threatening Reclamation's ability to meet DMC deliveries, particularly to the Exchange Contractors. Several agreements had been put in place to



remedy this, although a result of those transactions between the USBR (and Friant Contractors and DWR) would result in further water "debt" to be repaid before next year from SLR storage.

1. Borrowing Update

Anthea indicated that a meeting with Reclamation was scheduled to discuss the operations and the resultant "Borrowing" which had been done of the District's sored supplies, and to identify any remedies and determine how the supplies would be returned without impacting 2017 allocations.

Note: Board Member Bill Koster arrived at 8:45 a.m.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 6/30/16

Adam reported use for the month of June of 5,504 AF, a total supply of 65,834 AF projected to be available for the 2016-17 year, and an estimated 33,300 AF projected for rescheduling into the 2017-18 water year. Also shared was correspondence from Frances Mizuno to the BOR requesting to temporarily relax the water quality standards for DMC pump-in similar to previous years with critical water supplies.

C. Additional Supplies Report Draft as of 6/30/16

Anthea shared that the special meeting proposed for early July was unable to take place due to lack of information necessary to present to the Board in order to allow them to make any updated decisions on the District's current commitments to Additional Supplies in excess of customer requests, and specifically how those transactions could be protected and financed with minimal risk to the District. The 2016-17 Annual Additional Supplies Pool draft report as of 7/20/16 showed 12,731 AF of potentially "unsold" supplies with a value of \$7,602,038.00.

D. Board to Review and Consider Options for Storage/Sale/Exchange of Supplies Excess to Current Year In-District Needs

Anthea reported that the District's SJRECWA June allocation of 1,512 AF provided for the the sale of 185 AF to Blue Sky Farms and the remaining 1,327 AF were offered back to the other districts, who agreed to accept the re-allocation quantities. Anthea also asked the Board to ratify Staff's decision to allow a customer Late Request for Additional Supplies and to market any other Late Requests at \$500/AF as long as the supplies were still available. After review and discussion, the Board took action to approve the 185 AF transfer as well as the 1,327 AF relinquishment of exchange contractor water and directed staff to change the rate of additional supplies to \$500/AF for late requests as follows:

Ayes:	Jasper, Perez, Dompe and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar and Lucich

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)

Anthea reported that due to a conflicting schedule, she had been unable to attend the monthly meeting, but shared that the Committee continued to work on their PEIR model for the programmatic environmental document that would allow them to approve wells in the county under streamlined environmental documentation. She shared that the Substitute Environmental Document under Phase I of the SWRCB's Water Quality Control was rumored to propose that the SJR Tributary agencies reduce their draw by 30% in future years. Phase II would likely be moving to the river diverters on the San Joaquin River, as well.

B. Sustainable Groundwater Management Activities Report

1. Basin Boundary Adjustment Request – Update

Anthea reported that under SGMA, the Basin Boundary Modifications had been approved and drafted and public meeting were being held prior to final approval by the California Water

Commission. The draft approved modifications were scheduled to go to the Water Commission for presentation in the next few days and the final modifications would be presented on September 21, 2016. Final Basin Boundary modifications approved by the Water Commission would be released shortly thereafter.

2. Groundwater Sustainability Agency Formation – Update

a. Review and Consider Memorandum of Agreement Establishing a Multi-Agency GSA for the Northern Central Delta-Mendota Subbasin

Anthea reported that a meeting had been scheduled to discuss Groundwater Sustainability Agency formation under SGMA and to review a draft MOA that could be used to pursue a multi-agency GSA between Del Puerto, Eastin and Oak Flat Water Districts as well as discuss the document that would bind the Central DMC GSA's as a multi-GSA group to develop a GSP.

7. DRAINAGE ACTIVITIES REPORT

A. Westside San Joaquin River Watershed Coalition Report

Adam reported that this month's meeting was cancelled due to the holiday. Staff was currently completing the yearly update list showing changes within the District for the past year (owner, user, acres, etc....).

B. Review and Consider Staff Proposal to Perform Station Maintenance Services for the SJ River Discharge Real-Time Monitoring Stations

Adam shared that the University of the Pacific's contract to maintain the real-time monitoring stations was no longer in place and that Joe McGahan of Summer's Engineering asked if the District would be willing to monitor the stations. A scope of work and budget would be presented at a later meeting to discuss this possibility.

8. FINANCIAL REPORTS

A. California Employers Retiree Benefit Trust Fund (CERBT) – Plan Update as of May 31, 2016 and Notice of Governmental Accounting Standards Board (GASB) changes

Anthea provided the District's CERBT Account Summary and explained that this trust fund is used to fund other post-retirement benefits. The average annualized internal rate of return since inception has been 10.83%, and the estimated funding ration as of May 31, 2016 was 119.5%.

B. 2015 Other Post-Employment Benefits Valuation (OPEB) Report - Update

Anthea reported that every two years the District is required to submit an Actuarial Valuation of OPEB and potential liabilities to the CERBT and had been working with Bickmore for the past 4 cycles to complete this requirement. She provided the Draft 7-1-2015 Actuarial Report for the Board's review. She indicated that she would be working with Catherine McLeod of Bickmore to finalize the report and would be updating the Board on certain new reporting requirements – specifically "implicit subsidy" liabilities and potential future costs resultant of the Affordable Care Act.

C. Cash Flow Report

There was no Cash Flow Report to review.

D. Quarterly Investment Report

Due to last month's lack of a quorum, the Quarterly Investment Report for the First Quarter Ending May 31, 2016 was presented again. Anthea reviewed the report and the Board approved the Quarterly Investment Report for the First Quarter Ending May 31, 2016 as follows:

Ayes:	Jasper, Perez, Dompe and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar and Lucich

## 9. SUPPLY DEVELOPMENT PROGRAMS REPORT

### A. North Valley Regional Recycled Water Program – Update

Anthea reported that District had obtained the 40 year License for the Access, Installation, Operation and Maintenance of Structures on Reclamation Right-of-Way for the DMC from the Bureau of Reclamation and reported that outstanding NVRWP issues included finalizing funding, Turlock's Water Right, the City of Turlock approving a settlement with the State Water Contractors, and Institutional issues concerning the Wheeling Agreement between the Cities. Adam reported on a meeting he had with the City of Modesto to review changes on the initial construction bid. Lastly, Anthea shared that the cost of the Modesto component would potentially be \$10 million less than expected, and provided a status report from Michael Cooke on the Turlock component.

### 1. Turlock Interim Transfer – Update

Anthea reported that the Turlock Interim Transfer draft permit was in transit but would not be able to get finalized without a water right.

### B. Orestimba Creek Recharge and Recovery Project – Update

Adam reported that the project was due to be started in September, based on the current schedule.

### C. Del Puerto Canyon Reservoir Phase 2a- I Feasibility Study Proposal – Update

Adam reported that he was awaiting information from potential partnering agencies before proceeding with the yield analysis

## 10. ADMINISTRATIVE ACTIVITIES

Anthea reported that customers had voiced concerns regarding the District's current challenges, and particularly the inability of the District to issue cash refunds for the proposed 2015-16 Additional Supplies Rebate until the oversupply situation was resolved. Board Member Jasper suggested that Board Members could provide assistance and Anthea indicated that, if needed, Staff would reach out to the appropriate Division Board Member. She also reported that District's summer intern Kyle Nixon was approaching the end of his internship and added that he was keeping busy and doing a terrific job.

## 11. SLDMWA ACTIVITIES REPORT

### A. SLDMWA Minutes, Operations & Open Session Legal Reports

Anthea provided the SLDMWA Minutes for the Board's review as well as the Operations & Maintenance Report, Open Session Legal Reports, the Mid-Term Budget Review, Timeline Draft and the SLDMWA Executive Director's Principle Activities Report.

### B. SLDMWA Public Information Program – Update

There was nothing to report on this item.

## 12. MANAGERS REPORTS

### A. Federal Legislation – Update

Anthea reported that Washington had been busy with subcommittees and hearings and that the CVP had been represented well. She provided a copy of Ara Azhderian's (SLDMWA) testimony, which was said to have been well received.

### B. State Legislation – Update

There was no report for this item.

### C. CA Water Fix – Update

Anthea reported that hearings for the California Water Fix would start on July 26<sup>th</sup> and last several months. Each speaker would be granted 3 minutes of public comments and it was predicted it would take 3 days minimum for opening public comments.

## 13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea reported that the SLDMWA and Westlands Water District jointly filed a lawsuit against the Bureau of Reclamation for not performing a proper Environmental Review and failing to consider the environmental impacts of biological opinions which had been devastating communities and fisheries alike, in an attempt to

compel Reclamation to do so. Several other articles pertaining to release of water to protect the Smelt and a Delta Smelt Resiliency Strategies were included in the materials.

14. CLOSED SESSION (if deemed necessary)

Upon return from Closed Session, it was reported that the Board had considered three items as listed on the agenda, as well as one matter of potential legal exposure which could impair the District's fiscal position and this present risk to all Landowners. As a result, the Board took action to adopt a policy allowing the Treasurer/General Manager the discretion to accelerate payment requirement and/or any special program payment guidelines for any account that the Treasurer/General Manager deems to pose a fiscal exposure to loss by the District or its Landowners, and to delegate such authority to Staff (if necessary) to do same. This Policy shall be titled "COD Status Approval Policy". On a roll call vote, the Policy was adopted as follows:

Ayes:	Jasper, Perez, Dompe and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar and Lucich

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 10:17 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS  
JUNE 22, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:15 a.m. Board Members present were Jim Jasper, Pete Lucich, Earl Perez, Tom Dompe and Bill Koster.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea introduced District's summer intern Kyle Nixon. She also mentioned that closed session would be required and recommended it be taken after item 5.B. as it was pertaining to Additional Supply agreements. She added that District Counsel Ernest Conant would be joining via telephone for the discussion of Groundwater Sustainability Agency Formation options under SGMA. The Board approved the Agenda order change as follows:

Ayes: Jasper, Perez, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 5/18/16

Minutes for the Regular Meeting of 5/18/16 were provided in advance for the Board's review.

B. Monthly Accounting Report

The Monthly Accounting Report for May 2016 was provided in advance for the Board's review.

C. Monthly Field Operations Report

The May Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Perez, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea explained the ongoing controversy between Reclamation and the Fisheries agencies regarding the Temperature Management Plan during the past few weeks and provided copies of correspondence sent to State and Federal agencies with respect to current issues. She reported that it seemed the amount of water to be potentially released under the proposed plans would eliminate any hope of San Luis Reservoir re-filling, and would affect allocations for this year and next. The Board was also updated on FWS' proposal to release additional summer flows through the Delta in

an attempt to bolster Smelt habitat, an action which appeared to have no scientific basis and which overtly conflicted with NMF's Temperature Plan requirement of holding back water for Salmon runs later in the year. Comparison graphs of the Projects' Reservoir Releases & Export Operations under various scenarios and CVP Export Impacts projected under the two Sacramento River Temp Plans being advanced were provided and reviewed as well.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 5/31/16

Anthea reported that use for the month of May was 3,985 AF, a total supply of 60,572 AF was projected to be available for the 2016-17 year, and an estimated 15,046 AF projected for rescheduling into the 2017-18 water year.

The Board went in to closed session at this point the meeting.

C. Additional Supplies Report Draft as of 5/31/16

Anthea provided and reviewed several scenarios pertaining to the 2016-17 Annual Additional Supplies pool. She explained the different scenarios and compared different combinations of the District's potential source supply transactions. She explained that because requests for this year's supplies were at 6,519 AF for the first signup and 2,653 AF for the recent solicitation, total potentially available supplies still far outpaced requests, and that the revised scenarios of the pool indicated the possibility that the initial cost estimate of \$400/AF would be less than the final average cost. Anthea explained that currently there is a similar situation in other Districts, and that there was no outside market to speak of, excepting maybe an off-ramp of certain of the supply sources which could be shared with other agencies in the same programs. She further suggested that maybe the Turlock interim transfer, once fully permitted and approved could be administered as a separate program outside of the Annual Additional Supplies Pool on a subscription basis, as it was likely to continue for about 18-20 months until the NVRWP connection was finalized. She concluded by saying that a combination of various approaches to managing this years' pool would have the greatest likelihood of solving the current situation.

At this point in the meeting the Board covered Item 8C. Anthea explained her discussions with Bond Counsel Cameron Weist who advised that the District could legally take action to finance water entitlements, and that if the Board was so interested she could further the discussions with him regarding borrowing amounts, credit ratings and rates. The Board discussed different means of addressing the current situation of oversupply and reduced cash flow, absent formal customer requests for the available supply. Anthea indicated that Board action would need to be taken on a Resolution to declare its preliminary intentions to acquire certain water entitlements and appoint Bond Counsel to arrange for the financing. After review and discussion the Board approved the negotiation of a contract with Cameron Weist for bond counsel services with a cap of \$30,000 and a "work-stoppage" clause with respect to payment and to adopt a resolution to declare its preliminary intention to acquire certain water entitlements and appoint Bond Counsel to arrange for the financing as follows:

Ayes:	Jasper, Perez, Dompe, Lucich and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)

There was nothing to report on this item.

B. Sustainable Groundwater Management Activities Report

1. Basin Boundary Adjustment Request – Update

Anthea reached Ernest Conant via conference phone to have him join the discussion and together they reported that DWR had preliminarily approved the District's Basin Boundary Adjustment Request to include the San Joaquin County portion of the District's lands into the Delta-Mendota Subbasin for ease of GSA administration. Ernest reported that although there continued to be concern regarding the Wolk legislation, that likely it would die for lack of support in the California

Assembly Committee. He advised that we could withdraw the Basin Boundary adjustment before it got to the Water Commission later this year although he did not believe that would be necessary.

2. Review and consider Groundwater Sustainability Agency formation options

Provided for the Board was the SLDMWA's SGMA Compliance Update on the South San Joaquin County GSA (Tracy Subbasin), Northern Delta-Mendota Subbasin GSA and Central Delta-Mendota Subbasin GSA. Anthea and Ernest shared several options on how District could form its own GSA. Anthea reported as she had previously, that PID and WSID had previously filed to be their own GSA's for purposes of SGMA, with the intention that they would still join the other Northernly Delta-Mendota Subbasin agencies in the development of the local GSP. She further indicated that the SLDMWA was rethinking its participation in a multi-agency GSA, primarily to lessen exposure to lawsuits resulting from GSP implementation activities. Anthea suggested that the decision before Del Puerto WD would be to move forward and organize itself as its own GSA, partner with all of the other Westside agencies (including the County, the City of Patterson, and the Community Services Districts) in forming a multi-agency GSA, or partner with one or more of the other agencies, mentioning specifically the similar interests of Oak Flat WD and Eastin WD. After the ensuing discussion, a motion and second was made to pursue formation of a GSA, and inquire with Oak Flat WD and Eastin WD as to their interest in partnering with DPWD and having DPWD be the administrator of such an effort, and to work together to form an administrating agreement as follows:

Ayes: Jasper, Perez, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

7. DRAINAGE ACTIVITIES REPORT

A. Westside San Joaquin River Watershed Coalition Report

There was no report for this item.

8. FINANCIAL REPORTS

A. Review and Approve Treasurer's Quarterly Reports for the First Quarter Ending 5/31/16

This item was not taken and will be considered at the July Board Meeting.

B. 2016 Cash Flow Reports

There was no report on this item.

C. Board to Review and Consider a Resolution of Preliminary Intention to Acquire Certain Water Entitlements and Appointing Bond Counsel in Connection Therewith to finance the acquisition of such entitlements through the execution of installment sale and purchase agreements ("Financing Obligations") and a related Agreement for Bond Counsel Services with Cameron Weist – Weist Law Firm

Item was taken after Item 5B.

9. SUPPLY DEVELOPMENT PROGRAMS REPORT

A. North Valley Regional Recycled Water Program – Update

Anthea reported that the City of Modesto had recently declared their tertiary treatment plant final, and updated the Board on the final remaining tasks facing the NVRWP. She explained the most critical of these to be the SWRCB funding, which could not receive its final approval now – per the SWRCB – until a long-term agreement between the District and the USBR for conveyance and storage of the water in the DMC was complete. She explained that the NVRWP team had previously been advised that the USBR's ROD was sufficient, but that now the SWRCB wanted the agreement, as well. Attempts to assure the SWRCB that the agreement was forthcoming had been forwarded by the District and the USBR, but the SWRCB indicated that they would not guarantee the entire block of funding until the agreement was complete, and that the City could not award the DB contract without all funding. She indicated that she would be working with Reclamation to get an agreement in place ASAP. She further explained that Reclamation had recently suggested a purchase/exchange agreement in place of a Warren Act Contract, and that although it seemed that such a contract would

be preferential in timing and costs to a WA Contract, she would be exploring further. Currently Reclamation was consulting their solicitor on the possibility of the substitute type of agreement. With respect to City of Turlock she updated the Board on the SWRCB activities on both the Interim transfer and the NVRWP WR permit. Finally, she reported that she believed the City of Turlock had come to terms on a settlement agreement for the SWC protest. She closed her report by sharing that the City had nearly completed negotiations with the preferred DB Contractor-Myers-Rados and reported that the final negotiated price would be substantially below the original estimated costs.

B. Orestimba Creek Recharge and Recovery Project – Update  
See Packet Item 9A.

C. Del Puerto Canyon Reservoir Phase 2a- I Feasibility Study Proposal – Update  
There was nothing to report on this item.

10. ADMINISTRATIVE ACTIVITIES

There was nothing to report on this item.

11. SLDMWA ACTIVITIES REPORT

A. SLDMWA Minutes, Operations & Open Session Legal Reports  
See Packet Item 11A.

B. SLDMWA Public Information Program - Update  
There was nothing to report on this item.

12. MANAGERS REPORTS

A. Federal Legislation – Update  
See Packet Item 12A.

B. State Legislation – Update  
There was nothing to report on this item.

C. CA Water Fix – Update  
There was nothing to report on this item.

D. Sites Reservoir Project - Update  
See Packet Item 12D.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

See Packet Item 13.

14. CLOSED SESSION (if deemed necessary)

No report – No action taken.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to report on this matter.

16. ADJOURNMENT

Anthea indicated that a meeting may be necessary next week to discuss any opportunities with respect to the supply situation, and indicated she would advise the Board if so. Being no further business, the meeting was adjourned at 10:10 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary





**MEETING OF THE BOARD OF DIRECTORS  
MAY 18, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:37 a.m. Board Members present were Jim Jasper, Earl Perez, Tom Dompe and Bill Koster.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea introduced the District's newest hire, Albaro Pantoja, who filled the Water Operations Technician position as of May 9, 2016. Albaro gave a brief summary of his work background and the Board welcomed him.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea asked to add an item to closed session which had come about after the agenda was posted pertaining to real property negotiations for terms of a banking/exchange transaction with Arvin-Edison Water Storage District. The Board approved the Agenda with the addition of the closed session item as follows:

Ayes: Jasper, Perez, Dompe, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar and Lucich

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 4/20/16

Minutes for the Regular Meeting of 4/20/16 were provided and reviewed.

B. Monthly Accounting Reports

The Monthly Accounting Reports for April 2016 were provided and reviewed.

C. Monthly Field Operations Report

The April Field Operations Report was provided and reviewed.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Jasper, Perez, Dompe, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar and Lucich

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided and reviewed with the Board Reclamation's news release announcing an increase to the Friant 2016 Class 1 Water Supply allocation to 65%, email correspondence from SLDMWA reporting on a change order to the Jones Pumping Plant decreasing export rates from 800 cfs to 0 cfs every other day, a graph showing Reservoir conditions, SLDMWA's May Project Operations Update as well as the Water Policy Administrator Report. Operations continued to be very tedious, and

concerns were mounting that the USBR would have trouble achieving its previous forecast for the year.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 4/30/16

Anthea reported that use for the month of April was 1,793 AF, a total supply of 64,368 AF was projected to be available for the 2016-17 year, and an estimated 16,342 AF projected for rescheduling into the 2017-18 water year. Total DMC Pump-Ins for the month of April were 540 AF net.

C. Additional Supplies Report Draft as of 5/6/16

Anthea reported that she and Ernest had a meeting with Elizabeth Ewens, an attorney representing the 4S/SHS Ranches', Steve Sloan and Steve Smith, regarding a potential sale of irrigation water. Subsequent email correspondence was provided indicating that no transaction would be pursued at this time. She further reported that the District had declined the offer to participate in their Supplemental Allocation from OID/SSJID Release Water, and that the USBR had released a Draft Environmental Document for the Volta Wells 5 Year Incremental Level 4 Groundwater Pumping/Level 2 Diversification Project. The Bureau had requested a letter from the District indicating that the water's use would be intended for Ag purposes only, which was sent and was in the packet for the Board's review. Anthea reported that she and Frances had spoken to Chris Dahlstrom of the Santa Ynez Conservation District, whose reservoir is Lake Cachuma and Ray Stokes of the South Coast WA, regarding opportunities to transfer water to their service area for a future exchange. Conveyance capacity would be a limiting issue, however there was mention that several of their member agencies would be interested in a purchase if it could be stored in San Luis Reservoir.

D. Review and Consider Options for Administering Interim Transfer of Recycled Water from the City of Turlock

An analysis of the Interim Transfer of Recycled Water from the City of Turlock indicated this transfer would be in place for 18 months, and would produce about 800 AF a month. Anthea suggested that this transfer could be offered as a program similar to the RWSP Program. After discussion, the Board instructed Staff to gather more information and report on this item at next month's meeting.

E. Review and Consider Options for Exchange and/or Transfer of Supplies in Excess of the District's Current Demand

This item was taken as closed session. Item added.

F. 2016 Petition for Temporary Change to Modify the State Water Project and Central Valley Project Places of Use - Update

Despite a protest by AquaAlliance to the 1-year CPOU petition, it had been approved by the SWRCB for 2016-17.

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)

Anthea provided the Agenda to the May 12<sup>th</sup> meeting and reported that she was unable to attend the meeting due to a conflict, but that work on the Counties PEIR continued and she provided the Board with a Power Point presentation on the County's PEIR modeling efforts.

1. Consideration of Stanislaus County's Prop 1 Grant Local Match Funding Request

Anthea provided email correspondence from Keith Boggs of Stanislaus County estimating the District's share would be \$8,776 for 29,795 acres. After review, Anthea indicated that although participation in this request was not possible under current budget circumstances, she believed it would be a benefit to look into participating in the future.

B. Sustainable Groundwater Management Activities Report

Anthea informed the Board that discussion would be needed soon on GSA formations options.

7. DRAINAGE ACTIVITIES REPORT

A. Westside San Joaquin River Watershed Coalition Report

Adam reported that Joe McGahan of Summers Engineering had informed him that the SWRCB had selected five of DPWD's customers to participate in upcoming On-Farm inspections by the Regional Board. A list of items for Operators to have on file was provided.

8. FINANCIAL REPORTS

A. 2016 Cash Flow Report

Anthea reviewed an updated 2016 Cash Flow Report with the Board.

B. Analysis of Refunds Due Report Resultant of Rebate on 2015-16 Annual Additional Supplies

Anthea reviewed the Analysis of Refunds Due Report Resultant of Rebate on 2015-16 Annual Additional Supplies with the Board.

9. SUPPLY DEVELOPMENT PROGRAMS REPORT

A. North Valley Regional Recycled Water Program – Update

A copy of the March 2016 Progress Report by RMC was provided for the Board's review, as well as copies of the City of Turlock City Council Synopsis' pertaining to a Water Supply Agreement between Turlock and DPWD as well as (3) supporting Resolutions pertaining to the financing agreement from the SWRCB. Also mentioned was Director Murillo's visit to the District to sign the Record of Decision on May 6, 2016. Anthea also reported that a meeting would be taking place in Fresno with District Counsel Ernest Conant to discuss the long-term Warren Act Contract pertaining to the NVRWP. Adam Scheuber gave a brief overview of ongoing activities related to the selection of the successful D-B Entity Firm/proposal, and predicted to have a final cost estimates soon. Anthea asked the Board to reserve the date of August 26, 2016 for the NVRWP groundbreaking ceremony.

B. Orestimba Creek Recharge and Recovery Project – Update

There was nothing to report on this item.

C. Del Puerto Canyon Reservoir Phase 2a- I Feasibility Study Proposal – Update

Anthea shared that she and Adam had recently met with Chris White of CCID, Bobby Pierce of WSID and Mark Vanden of PID to discuss the DPCR's Phase I report and opportunities for participation as partners. CCID and WSID had expressed interest and requested more information before making a decision.

10. ADMINISTRATIVE REPORT

A. Staffing – Update

This item was covered under Opportunity for Public Comment.

B. Merced County PRA Request - Report

Anthea reported that Merced County had sent a request for information (which would be handled as a Public Records Act Request) pertaining to the 4S/SHS Water Transfer and that she had sent a letter requesting an extension of time to provide said info.

11. SLDMWA ACTIVITIES REPORT

A. SLDMWA Minutes, Operations & Open Session Legal Reports

The SLDMWA April 7<sup>th</sup> Minutes, O&M Report and Open Session Legal Reports were provided for the Board's review. Also provided was a copy of the SEC's Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933 against Westlands Water District and Anthea shared that WWD's General Manager, Tom Birmingham, gave a presentation at the SLDMWA meeting and explained some of the misunderstandings. Also included and reviewed was Jason Peltier's Monthly Issues Tracking Report.

B. SLDMWA Public Information Program - Update

A handout showing the SLDMWA Public Information Program Media Plan Overview was provided. Jim Jasper reported that he and Anthea had attended the meeting that he believed this campaign was

not benefiting its cause. Anthea added that she would suggest an opt-in / opt-out option for this Program in the next SLDMWA budget planning cycle.

12. MANAGERS REPORTS

A. Federal Legislation – Update

Anthea reported that Feinstein’s Senate legislation “California Long Term Provisions for Water Supply and Short Term Provisions for Emergency Drought Relief Act” as well as companion legislation in the House were still being debated.

B. State Legislation - Update

Anthea reported that ACWA was now working with EDF on the water transfer/market legislation and that a copy of the Draft Proposed EDF/ACWA Legislative Agreement EDF Redline was included for the Board’s review.

C. CA Water Fix – Update

Currently the SWRCB was considering requests for extensions of the hearing process by multiple parties.

D. City of Patterson Urban Water Management Plan 2015- Report

Anthea noted that she had reviewed the City of Patterson’s 2015 Urban Water Management Plan Update as well as provided a copy for the Board’s review. No issues were found that would affect the District.

E. Local Hazard Mitigation Plan Update and LAFCO Municipal Service Review – Update

Adam reported he was putting together an update to the Hazard Mitigation Plan. There was nothing else to report on this item.

F. California High Speed Rail Authority - Report

Anthea shared she met with in-house attorneys for the California High Speed Rail Authority to discuss changes to the route of the railway, which would pass through several parcels within the boundaries of the District. She would be working with the HSRA and the SLDMWA to provide assistance in support of the District’s Landowners as needed.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Several news articles on pumping and Drought Relief were included in the packet.

14. CLOSED SESSION (if deemed necessary)

Upon return from closed session, Anthea reported that Staff had received guidance in furtherance of real property negotiations with both the USBR RWSP and AEWSD.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to report on this matter.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:59 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS  
APRIL 20, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:37 a.m. Board Members present were Jim Jasper, Earl Perez, and Bill Koster.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

At President Bays' request, items A, B, & C were removed from the Consent Calendar to be taken as open session items. Also, Anthea informed the Board that closed session would be taken at 9:00 a.m. to accommodate Ernest Conant, District Counsel. There were no other additions or revisions to the Agenda.

The Board approved the revisions to the Agenda as follows:

Ayes: Jasper, Perez, Bays, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich, and Dompe

4. MONTHLY REPORTS

A. Minutes for the Regular Meeting of 3/16/16

Minutes for the Regular Meeting of 3/16/16 were reviewed. No changes were suggested.

B. Monthly Accounting Reports

Joy provided Monthly Accounting Reports for March 2016. Several questions were asked about delinquent assessments. Joy explained that many accounts had credit balances due to the issuance of the 2015-16 Additional Supplies rebate.

C. Monthly Field Operations Report

The March Field Operations Report was reviewed.

The Board Approved items A, B and C above as follows:

Ayes: Jasper, Perez, Bays, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich, and Dompe

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided and reviewed the SLDMWA March Project Operations Update, as well as several pieces of correspondence regarding drought operations and the need to maximize pumping to support 2016 allocations south-of-the-Delta. She explained that April and May pumping was currently limited under the I/E ratio in the biological opinions, and that summer pumping capability would depend on

how the agencies, Reclamation and the SWRCB handled temperature operations in Shasta. Currently NOAA fisheries and the SWRCB seemed to be erring on the side of extreme caution in reserving the cold water pool. Also discussed were Stanislaus River operations with respect to the OID/SSJID fish flow releases and an unexpected mention in the press about how/whether the God Squad could be implemented to resolve some of California's issues.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 3/31/16

Anthea reported that total supply projected to be available for the 2016-2017 year was 62,368 AF, use for the month of March was 687 AF, and estimated supply projected for rescheduling into the 2017-18 water year would be 14,378 AF. Total DMC Pump-Ins for the month of March were 458 AF. Demand was tracking very low due to recent wet weather.

C. Additional Supplies Report as of 3/31/16

Anthea reported that she had updated the Conveyance Agreement Memorandum with PID regarding the 4S-SHS transfer which would be finalized around 4/24/16. She added that PID had returned 3,500 of the approximate 4,500 AF that were conveyed and loaned through the agreement. She also reported on the SJRECWA Transfer Program Allocation Delivery Schedule and provided graphs showing the changes due to the 5% Ag Allocation, SCVWD declining to participate in the transfer, and only 4400 AF of the 5000 AF of M&I water being requested with those changes, the District's share of this transfer is 4,845 AF at a delivered cost of \$454/AF. A copy of the Water Year 2016-17 Additional Supplies Potential Opportunities chart was provided for the Board's review, and Staff explained each of the transactions in detail.

D. 2016 Petition for Temporary Change to Modify the State Water Project and Central Valley Project Places of Use - Update

Anthea provided the Board with a copy of DWR's Memorandum pertaining to the 2016 Petition for Temporary Change to Modify the State Water Project and Central Valley Project Places of Use and reported that this petition would facilitate exchanges of SWP and CVP water south of the Delta and requested the SWRCB temporarily modify the authorized Place of Use of the listed USBR permits to include SWP authorized place of use downstream of the Harvey O. Banks Pumping Plant and the DWR permit to include the CVP authorized places of use downstream of the Jones Pumping Plant. She explained that the District and Oak Flat WD had once again participated in this petition in order to facilitate transfer/exchanges for common Landowners.

E. Review and Consider Second Amendment to San Luis WD and Del Puerto WD Groundwater Acquisition Reimbursement Agreement with Grasslands WD

Anthea reported on a proposed Second Amendment to San Luis WD and Del Puerto WD Groundwater Acquisition Reimbursement Agreement with Grasslands WD, which would facilitate a five-year extension of the agreement and an increase in the quantity of water which potentially could be exchanged. After review and discussion, the Board approved the Second Amendment to San Luis WD and Del Puerto WD Groundwater Acquisition Reimbursement Agreement with Grasslands WD as follows:

Ayes:	Jasper, Perez, Bays, and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar, Lucich, and Dompe

F. Review and Consider Acceptance of a Supplemental Allocation from the USBR Resultant of the 2016 OID/SSJID Environmental Flow Releases

Anthea provided the Board with a copy of the SLDMWA Letter Agreement to Terms for Participation in Supplemental CVP supply resulting from Oakdale ID /South San Joaquin Irrigation Fish Flow Releases as well as a chart showing the Supplemental Allocation by Contract Quantity. Discussion ensued regarding supply options for 2016, and given the high cost of this supply and the potential for future costs related to it's being considered CVP "chargeable AF" in the USBR final accountings, the Board decided to pass on this opportunity of a supplemental allocation as follows:

Ayes: Jasper, Perez, Bays, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich, and Dompe

G. Review and Consider 2016-17 Yuba County Water Agency Supply Program

An email chain regarding the availability of Yuba Accord water was provided for review. Final Yuba supply availability will be determined when the final Sacramento Region 40-30-30 Water Supply Index is known.

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)

There was nothing to report on this item.

B. Sustainable Groundwater Management Activities Report

Anthea reported that District had been participating in meetings with local agencies about perfecting a multi-district GSA. Due to several changes throughout the last month, several of the smaller Districts have moved forward to form their own GSA. After much discussion, Ernest Conant recommended more information be researched and gathered before making any decisions on District forming their own GSA.

7. DRAINAGE ACTIVITIES REPORT

A. Westside San Joaquin River Watershed Coalition Report

Adam reviewed the Westside San Joaquin River Watershed Coalition Water Quality Value Exceedances for the period of 2/1/16 to 2/29/16 with the Board, and also two charts depicting how presented nitrogen use would be analyzed on individual farms.

8. FINANCIAL REPORTS

A. Review and Consider Treasurer's Quarterly Investment Report for the 4<sup>th</sup> Quarter Ending February 29, 2016

Anthea provided and reviewed the Treasurer's Quarterly Investment Report for the 4<sup>th</sup> Quarter Ending February 29, 2016 which included the Statement of Compliance of Investment Policy, Quarterly Report of Investments Summary and the Detailed Quarterly Report for Investments Held at LPL Financial. The Treasurer's Statement included a note that "commitments to current supplemental supply opportunities will need to be managed prudently in order to manage risk of loss with respect to water supply, which would have serious fiscal implications". After review and consideration the Board approved the Treasurer's Quarterly Investment Report for the 4<sup>th</sup> Quarter Ending February 29, 2016 as follows:

Ayes: Jasper, Perez, Bays, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich, and Dompe

B. California Employees Retirement Benefit Trust (CERBT) – Update

Anthea reviewed the Del Puerto Water District California Employees Retirement Benefit Trust (CERBT) and shared that Strategy 2, under which the District's contributions were invested, it had yielded 7.6% since its inception.

C. 2016 Warren Act Contract Rates – Report

Staff reported that Warren Act Contract Rates charged to customers in the DMC Pump-In Program for the 2016 Water Year would be \$36.22/AF for conveyance and \$28.58/AF for storage, for a total of \$64.80/AF.

9. SUPPLY DEVELOPMENT PROGRAMS REPORT

A. North Valley Regional Recycled Water Program – Update

Anthea provided a copy of the RMC January and February 2016 Progress Report for the Board's review and reported that the focus for the past month had been with the settlement of water rights issues with the City of Turlock and progressing the design build process with the City of Modesto. She also reported that last month a separate application package to receive SRF Funding was submitted by the City of Turlock. Lastly, Anthea announced that the final USBR Record of Decision was sitting on Mr. Michael Jackson's desk ready to be signed.

B. Orestimba Creek Recharge and Recovery Project – Update

There was nothing to report on this item.

C. Del Puerto Canyon Reservoir Phase I Feasibility Study – Final Report and Preview of Proposal for Continued Work to Meet Prop 1 Funding Application Deadlines

John Roadifer of AECOM gave his presentation, final report and preview of his proposal for continued work (Phase 2a-Feasibility Study of DPCR) to meet the Prop 1 Funding Application deadlines, which indicated a "not to exceed" amount of \$773,000. The Board discussed funding and directed Staff to explore potential partnership opportunities with neighboring Stanislaus County agencies.

10. ADMINISTRATIVE REPORT

A. Staffing Report – Update

Anthea reported that the Water Operations Technician was still vacant.

B. Summer 2016 Internship Program – Request for Approval

Anthea requested permission from the Board to hire Kyle Nixon as a summer intern to assist with vacations as well as special projects to be detailed prior to his arrival. After review and consideration the Board approved the hiring of Kyle Nixon as follows:

Ayes:	Jasper, Perez, Bays, and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar, Lucich, and Dompe

C. Miller Starr Regalia PRA to Merced County - Update

Anthea provided a copy of a letter from Miller Starr Regalia to Merced County requesting Notification Regarding 4-S/SHS Ranch/Del Puerto Water District/Patterson Irrigation District Groundwater Mining and Export Project Actions and Related CEQA and Other Notices; Notification and Public Records Regarding Recent Turner Island Groundwater Transfer Request; Notification Regarding Any Other Groundwater Mining and Export Actions; and Enforcement/Compliance with County's Groundwater mining and Export Ordinance (Title 9, Chapter 27 of Merced County Code) and CEQA.

11. SLDMWA ACTIVITIES REPORT

A. SLDMWA Minutes, Operations & Open Session Legal Reports

The SLDMWA Minutes, Operations & Open Session Legal Reports, and the SLDMA O&M Report for March were provided for the Board's review. She noted that the April SLDMWA Board Meeting was held at SCVWD, and had several public comments pertaining to SCVWD's involvement with the SLDMWA and the California Water Fix.

B. San Luis Transmission Project – Update

The Executive Summary of the FINAL Environmental Impact Report on the San Luis Transmission Project was provided for the Board's review. The FEIS identified the environmentally preferred action alternative, as well as a Summary of Impacts.

12. MANAGERS REPORTS

A. Federal Legislation Update

Anthea shared that Mr. Denham Introduced a Common-Sense Predation Legislation bill which would remove striped bass from the doubling requirement of the CVPIA.



B. CA Water Fix – Update

Anthea reported that DWR and BOR requested a 60 day continuance on hearings that were scheduled to begin in early May at the State Water Resources Control Board as to resolve or consolidate protests from environmental groups, and Delta and Northern California water agencies. Also provided was an overview and schedule on the project for the Board's review.

C. Ag Unite – Update

A copy of an Ag Unite flyer announcing an event on May 12<sup>th</sup> was shared. It was noted that this could be a positive step toward including third parties and agriculture in the larger discussion base.

D. Local Hazard Mitigation Plan Update and LAFCO Municipal Service Review – Update

A copy of the Stanislaus County Notice announcing a public meeting on the Multi-Jurisdictional Hazard Mitigation Plan Update was provided for the Board's review. Adam would be taking the lead on the District's 5-year update.

E. Sites Reservoir - Update

An outline of the Sites Reservoir Project and its costs were provided for the Board's review.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Several news articles on pumping and Drought Relief were included in the packet.

14. CLOSED SESSION (if deemed necessary)

Upon return from Closed Session, Anthea reported that the Board took action to approve in substantial form a water sales agreement between the Del Puerto Water District and the City of Turlock and voted on as follows:

Ayes:	Perez, Jasper, Koster and Bays
Nays:	None
Abstentions:	None
Absent:	Escobar, Dompe and Lucich

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to report on this matter.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:59 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS  
MARCH 16, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:45 a.m. Board Members present were Jim Jasper, Earl Perez, Bill Koster and Tom Dompe.

2. OPPORTUNITY FOR PUBLIC COMMENT

Gene introduced and welcomed Hunter Riddle to the meeting. Anthea reported that John Hansen was enjoying his retirement. There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. CONSENT CALENDAR

Items A, B, & C were removed from the Consent Calendar and taken as open session items.

A. Minutes for the Regular Meeting of 2/17/16 and the Special Meeting of 2/24/16

Minutes for the Regular Meeting of 2/17/16 and the Special Meeting of 2/24/16 were provided in advance for the Board's review. No changes were suggested.

B. Monthly Accounting Reports

Joy provided and reviewed the Monthly Accounting Reports for February 2016.

C. Monthly Field Operations Report

The February Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C above as follows:

Ayes:	Jasper, Perez, Dompe, and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar, Lucich

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided and reviewed the SLDMWA March Project Operations Update, Tom Boardman's letter on potential factors affecting CVP Water Supply for 2016, graphs showing the Delta Outflow and Export for 2015 vs 2016 and the 2016 San Luis Storage Refill Projection as well as several articles pertaining to water allocations, endangered fish, drought, and requests for increased pumping. After review and discussion, Anthea shared that although unlikely, she hoped an allocation would be announced soon.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 2/19/16

Anthea reported that total supply projected to be available for the 2015-2016 year was 64,034 AF, use for the month of February was 251 AF, and estimated supply projected for rescheduling into the 2016-17 water year would be 36,013 AF. Also provided was the District's request to Reschedule various supply sources totaling some 36,013AF stored in San Luis Reservoir for use in the 2016-17 Water Year.

C. Additional Supplies Report as of 2/29/16

Anthea provided pre-final Draft copies 2015-16 Additional Supplies Pool as to move forward with the 2016-17 Additional Supplies Pool and reported that the estimated average price for all supplies acquired was \$607/AF. After discussion, Staff recommended a \$150.00/AF credit be issued to users who purchased Additional Supplies from the 2015-16 Pool and the 2016-17 Pre-Sold Pool. The Board approved the closing of the two Pool(s) with rebate of \$150.00/AF for those Water Users who participated, as follows:

Ayes: Jasper, Perez, Dompe and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich

D. 2016-17 Draft Additional Supplies Program Report/Guidelines

Anthea reviewed the 2016-17 Draft Additional Supplies Potential Opportunities Worksheet with the Board. After discussion, the Board agreed to notice the availability of the 2016-17 Additional Supplies Program at a rate of \$400.00/AF. The motion was approved as follows:

Ayes: Jasper, Perez, Dompe and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar, Lucich

E. Review and Consider 2016-17 Transfer/Forbearance Program Concept Paper

Due to the potential for a decision on this item to conflict Board Member Perez as a multi-District landowner, he recused himself from the room and chose not to make a public comment before exiting. Staff then reviewed a Draft 2016-17 Transfer/Forbearance Program Concept Paper, the goal of which was to assist multi-District Landowners with 2016 water supplies in exchange for a return a those supplies in a future water year. After much consideration, the Board agreed to a Program which would provide assistance to Landowners to meet their water needs in neighboring Districts if and when Staff had determined the supply to be provided was in excess of that being requested by the District's customers for in-District uses in 2016, but without a return of the supply in a future year, which the Board felt would be very complicated. A motion was made to enact such a Program at a rate of \$750.00 with no forbearance as follows:

Ayes: Jasper, Perez, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

Note: Board Member Lucich joined the meeting at 9:54 a.m.

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)

Anthea reported that Stanislaus County was requesting matching funds for a Proposition 1 Grant Application for funding under the Sustainable Groundwater Planning Grant Program entitled "Counties w/Stressed Basins". A Project Cost Breakdown sheet was also provided, indicating a "suggested" amount for each water agency. She also provided email correspondence from Walt Ward regarding recently released SGMA GSP Regulations as well as an Agenda for the Stanislaus County Water Advisory Committee/Technical Advisory Committee.

B. Sustainable Groundwater Management Activities Report

Anthea provided a summary from Berkeley Law School pertaining to the design of effective Groundwater Sustainability Agencies. The information contained in the full report aimed to help Districts when forming GSA's. Also discussed was the schedule for GSP regulations and the public comment process.

7. DRAINAGE ACTIVITIES REPORT

A. Westside San Joaquin River Watershed Coalition Report

Adam reported on proposed changes to agricultural water quality regulations and noted that the biggest change for District users would be a proposed requirement that the watershed coalitions submit grower-specific, field-by-field data on nitrogen use, Farm Evaluation Plans, and Irrigation and Nitrogen Management Plans to the Central Valley Regional Water Quality Control Board, and that site-specific information would then be available to the public.

8. FINANCIAL REPORTS

A. Review and Consider Financial Audit Proposal for 3-Year Extension of Agreement with JWT & Associates for Fiscal Audit Years Ending 2016, 2017 & 2018

Anthea reported that District's Audit Contract had recently expired and proposed a new 3 year contract with JWT & Associates. After review of the proposal and discussion, the Board approved a new 3 year contract for a proposed rate of \$9,750 for each fiscal year ending February 2016, 2017 and 2018 as follows:

Ayes:	Jasper, Perez, Dompe, Lucich and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar

B. 2016-17 Administrative Budget Report - Final

Joy presented and provided a copy of the Final 2016-17 Administrative Budget Report Summary, indicating the adopted per-acre Water Availability Charge of \$40/acre and the projected cash subsidy from Reserve Funding of approximately \$3.10/Acre..

9. SUPPLY DEVELOPMENT PROGRAMS REPORT

A. North Valley Regional Recycled Water Program – Update

Anthea reported that a Customer Open House had been scheduled for April 13 to assist landowners along the NVRWP Modesto Component project alignment on what could be expected once construction was underway and she requested the Board of Directors be present at that meeting. Several copies of email correspondence were provided for the Board's review. She also shared that the City of Turlock's Water Rights Permit and the Record of Decision were currently being shepherded through the final stages.

B. Orestimba Creek Recharge and Recovery Project – Update

Although there were no updates on this item, two flow charts showing a spike in flows were provided for the Board's review.

C. Review and Consider Provost & Pritchard Proposal for NEPA/CEQA Compliance – Mapes Ranch Water Transfer Program

Anthea provided and reviewed a Draft proposal from Provost & Pritchard regarding the NEPA/CEQA Compliance for the Mapes Ranch Water Transfer Program, not to exceed \$45K. After review and discussion, the Board approved the proposal as follows:

Ayes:	Jasper, Perez, Dompe, Lucich and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar

10. ADMINISTRATIVE REPORT

A. Transition/Staffing Report – Update

Anthea reported that the Water Operations Technician position remained unfilled and added that an upcoming interview with a potential candidate was lined up for the next day.

B. Public Record Act Request – Miller Star Regalia - Update

Anthea shared that she had fallen behind on filling a Public Record Act Request from the law offices of Miller Star Regalia but was in the process of completing it. Young-Wooldridge had notified MSR of the delay on the District's behalf.

C. Form 700 Filing – Update

The Board of Directors was reminded that Form 700s were due on April 1, 2016.

11. SLDMWA ACTIVITIES REPORT

A. SLDMWA Minutes & Open Session Legal Reports

The SLDMWA Minutes and Open Session Legal Reports were provided for the Board's review.

12. MANAGERS REPORTS

A. Federal Legislation Update

There was no update on this item.

B. CA Water Fix – Update

Anthea reported that DWR and BOR had submitted a Change Petition to their Water Rights Permit(s) and two rulings were issued which in turn delayed the process until July 26<sup>th</sup>. Several articles and letters pertaining to the CA Water Fix were also provided for the Board's review, primarily relating to the USBR's Repayment Proposal Request.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Several articles pertaining to new regulations for Water Diversers, the dumping of billions of gallons of water in case of storms and the San Joaquin River Restoration Program's release of spring-run Chinook Salmon in to the San Joaquin River were provided.

14. CLOSED SESSION (if deemed necessary)

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to report on this matter.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:45 p.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS  
FEBRUARY 17, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:42 a.m. Board Members present were Earl Perez, Bill Koster and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea welcomed Stanislaus County Supervisor Jim DeMartini and Hunter Riddle to the meeting. There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 1/27/16

Minutes for the Regular Meeting of 1/27/16 were provided in advance for the Board's review.

B. Monthly Accounting Reports

The Monthly Accounting Reports for the month of January were provided in advance for the Board's review.

C. Monthly Field Operations Report

The January Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes:	Perez, Jasper, Koster and Bays
Nays:	None
Abstentions:	None
Absent:	Escobar, Dompe and Lucich

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea gave a brief overview on the San Luis & Delta-Mendota Water Authority February Project Operations Update and the Water Policy Administrator Report as it pertained to operations. She reviewed the Growing Impacts of BiOps on SLR Project Storage Graph and the 2016 Constraints Graph as well. There was no formal announcement for the 2016-17 Allocation, but it was predicted it would initially be announced at 0%.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 1/31/16

John reported that total supply projected to be available for the 2015-2016 year was 61,651 AF, use for the month of January was 4 AF, and estimated supply projected for rescheduling into the 2016-17 water year would be around 35,840 AF.

C. Additional Supplies Report as of 1/31/16  
Anthea reported that the 2015-16 Annual Additional Supplies Pool was projected to generate 24,208 AF, of which 4,681 AF was planned to be carried over for the 2016-17 Pool. She further noted that over 12 TAF of pre-developed supply would be available in 2016.

D. Review and Consider 2016 Update to the District's Groundwater Pumping Policy  
Anthea reviewed the previous policy and noted minor editorial changes, as well as suggested language detailing conditions for participation in the District's Pump-In Program. Adam noted that in prior years, the required water testing was to be done every three years whereas the new requirement was now yearly testing. After review and consideration, the Board approved the 2016 Update to the District's Groundwater Pumping Policy as follows:

Ayes:	Perez, Jasper, Koster and Bays
Nays:	None
Abstentions:	None
Absent:	Escobar, Dompe and Lucich

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)  
Anthea shared that the Water Advisory Committee & Technical Advisory Committee meetings were changing to be on an every-other-month schedule.

B. Sustainable Groundwater Management Activities Report  
Anthea gave a brief review on the status of the Basin Boundary Modification for the Delta-Mendota Sub-Basin and provided a copy of the Letter Agreement outlining Authority's responsibility to prepare and submit the boundary modification request to DWR on behalf of the Requesting Agencies, with the Requesting Agencies to reimburse the Authority for their apportioned share of the costs.

7. DRAINAGE ACTIVITIES REPORT

A. Westside San Joaquin River Watershed Coalition Report  
There was nothing to report on this item.

8. FINANCIAL REPORTS

A. SLDMWA 2016 O&M Update  
Anthea provided a copy of the SLDMWA O&M Rates and explained that the SLDMWA Board had decided to leave rates unchanged until more was known about 2016 water supplies.

B. Review and Consider Draft 2016 Water Rates  
Anthea reviewed the Bureau's Schedule of Irrigation Contract, Cost of Service, and Full Cost Water Rates per Acre-Foot by Contractor 2016 Irrigation Water Rates and added that although no irrigation water had yet to be allocated, a 2016-17 Water Rate would have to be established. After review and discussion of the information provided, the Board approved the rate at \$110.00 per acre foot as follows:

Ayes:	Perez, Jasper, Koster and Bays
Nays:	None
Abstentions:	None
Absent:	Escobar, Dompe and Lucich

C. Review and Consider Draft 2016-17 Administrative Budget (Tentative)  
Anthea asked the Board to schedule a Budget Committee Meeting sometime in the coming week to review and discuss the 2016-17 Administrative Budget, and suggested a special Board Meeting could be scheduled immediately following.

9. SUPPLY DEVELOPMENT PROGRAMS REPORT

A. North Valley Regional Recycled Water Program – Update  
Anthea reported that on February 19<sup>th</sup> there would be a Regional Board Hearing in Sacramento, to consider the Draft Discharge Permit allowing the Cities of Modesto and Turlock to discharge recycled

water into the Delta-Mendota Canal for the District's use. She also provided a copy of the Application for Transportation and Utility Systems and Facilities on Federal Lands, which had been submitted in support of access to Reclamation right-of-way at the DMC. She also shared that the Association of Environment Professionals (AEP) recognized RMC's EIR/EIS with an award for Outstanding Environmental Analysis Document. The award would be presented in San Diego on April 4, 2016. Lastly, the State Board had approved an extension and an addition to the 1% funding being offered for recycled water projects.

- B. Orestimba Creek Recharge and Recovery Project – Update  
Anthea reported that the project had been delayed awaiting the Bureau's finalization of NEPA.
- C. Del Puerto Canyon Reservoir Phase I Feasibility Assessment – AECOM Presentation  
Anthea introduced John Roadifer of AECOM who gave a presentation on Stages 3 and 4 of the Phase I Feasibility Assessment of the Del Puerto Canyon Reservoir.

#### 10. ADMINISTRATIVE REPORT

- A. Transition/Staffing Report – Update  
Anthea reported that the Water Operations Technician position was still vacant, but Staff had an interview scheduled the next day with a potential candidate. She also reported that John Hansen's last day would be February 29, 2016 and that she was researching the possibility of John being able to provide assistance to the District before the mandatory 180 wait period had ended.
- B. 2016 WaterSMART Grant Program Application – Update  
Anthea shared that although all steps were taken to ensure the 2016 WaterSMART Grant Program Application was shipped Priority Overnight to arrive within the timeline, unfortunately FedEx delayed the shipment by (1) day, therefore making it ineligible for acceptance. Reclamation had declined proof of delay provided by the District.
- C. Consider Staff Report on Request from the Department of Water Resources for Removal of Certain Irrigable Acreage from the District's Assessment Roll  
Anthea provided a Staff Report and gave a brief overview regarding DWR's formal request to temporarily retire lands from District's assessment rolls for a period of 5 years, thereby relinquishing any allocable CVP contract supply associated with their 496 irrigable acres, which would then allow sufficient time for them to make strategic decisions regarding their long-term holding/use of the property. Staff stated that the request was reasonable and recommended the Board grant the request on the condition that it be memorialized in an Agreement to be recorded against each of the applicable parcels and indicate it would be a "one time" request, where by at the end of the 5-year period DWR would need to either permanently relinquish their rights to service or permanently return to an "Assessed Acreage" status, as well as reimburse District for all costs of the action, including legal document preparation and recording fees. After discussion, the Board accepted DWR's request to temporarily retire their lands for a period of 5 years with Staff's recommended conditions as follows:

Ayes:	Perez, Jasper, Koster and Bays
Nays:	None
Abstentions:	None
Absent:	Escobar, Dompe and Lucich

#### 11. SLDMWA ACTIVITIES REPORT

- A. SLDMWA FY16-17 Activities Budget - Update  
Anthea provided the Activities Assessment Report & FY16-17 Activities Budget Draft #5 for the Board's review, which had been approved by the SLDMWA Board on 2-4-16. She also provided an update on SLDMWA's recent science efforts and options to expand them in the future.
- B. SLDMWA Public Information Program – Update  
Anthea gave a brief report on the Transitional Funding Proposal for the Spanish Language Media Campaign aimed at California's Latino Population submitted to the SLDMWA by the Ferenbock Group and approved as part of the SLDMWA budget.



C. Executive Director Presentation by Jason Peltier – SLDMWA

Anthea introduced the SLDMWA's newly hired Executive Director, Jason Peltier, who gave a brief background on his work history as well as updates on the SLDMWA Activity Budget, "El Agua Es Asunto De Todos" Campaign, and the current status of the California Water Fix.

D. SLDMWA Minutes & Open Session Legal Reports

The SLDMWA Minutes & Open Session Legal Reports were provided for the Board's review. Also provided was correspondence from the SLDMWA and SWC to the Delta Stewardship Council regarding the Proposed Delta Plan Performance Measures.

12. MANAGERS REPORTS

A. Federal Legislation Update

Anthea provided Senator Feinstein's Revised Drought Relief Bill as well as a copy of the California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act's Environmental Protections and Benefits and the California Emergency Drought Relief Act of 2016 for the Board's review.

B. 2016 San Joaquin River Restoration Program – Update

Staff reported that provisional Flow releases for the San Joaquin River Restoration Program as recommended by the Restoration Program Administrator would begin in February.

C. CA Water Fix – Update

An article from the Sacramento Bee pertaining to the future of the Delta tunnels as well as email correspondence from David Murillo of BOR regarding the California Water Fix Cost Repayment Proposal Request were provided for the Board's review. Anthea reported that Staff was working on a response through the SLDMWA membership.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea provided Stanislaus County's memo regarding Mandatory Ethics Training, the Property Owner's Association of Riverside County's Activities Bulletin as well as several news articles pertaining to the drought, water management practices, the California Water Fix project, El Niño, The California Salmon Run and their survival due to the drought for the Board's review.

14. CLOSED SESSION (if deemed necessary)

Upon return from Closed Session, Anthea reported that the Board gave Staff direction on a settlement agreement and counter-proposal for a water purchase agreement took unanimous action to approve Amendment No. 3 of the Patterson Irrigation District Conveyance Contract, and Agreement No. 16-WC204840 between the United States, San Luis Water District and Del Puerto Water Districts.

Ayes: Perez, Jasper, Koster and Bays  
Nays: None  
Abstentions: None  
Absent: Escobar, Dompe and Lucich

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to report on this matter.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 12:25 p.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**MEETING OF THE BOARD OF DIRECTORS  
JANUARY 27, 2016  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:34 a.m. Board Members present were Earl Perez, Tom Dompe, Bill Koster and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

Board Members Earl Perez, Tom Dompe, and Bill Koster as well as the DPWD Staff congratulated Board Member Jim Jasper on deservedly receiving the Almond Achievement Award presented by the California Almond Board.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea shared that a conference call and closed session with District Counsel would be taking place at 10:00 a.m. She also noted that the Special Meeting Minutes of 12/16/15 should have been included in the title of the Consent Calendar Agenda Item 4. A. Being no further additions or revisions, the Board approved a typographical revision to the Agenda as follows:

Ayes: Perez, Jasper, Dompe, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar and Lucich

4. CONSENT CALENDAR

A. Minutes for the Regular Meeting of 12/16/15 and Special Meeting Minutes of 12/16/15

Minutes for the Regular Meeting of 12/16/15 and Special Meeting Minutes of 12/16/15 were provided in advance for the Board's review.

B. Monthly Accounting Reports

The Monthly Accounting Reports for the month of December were provided in advance for the Board's review.

C. Monthly Field Operations Report

The December Field Operations Report was provided in advance for the Board's review.

The Board Approved items A, B and C of the Consent Calendar as follows:

Ayes: Perez, Jasper, Dompe, and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar and Lucich

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that pumping had been reduced due to increasing to levels of concern that increasing Delta smelt salvage levels would occur, triggering more restrictive operations in future months.. She also reported that due to export uncertainties, 2016 Project supplies would be extremely limited and that there was a considerable amount of water yet to be repaid to the SWP and CVP contractors for

the 2015 "borrowing" of Supplies in San Luis Reservoir. A copy of the January Project Operations Update Memo was provided for the Board's review.

Note: Board Member Lucich arrived at 8:43 a.m.

1. SWRCB Temporary Urgency Change Petition/2016 Drought Control Plan - Update

Anthea reported that on January 15<sup>th</sup>, the SWRCB extended the TUCP. A copy of the Order was provided for the Board's review. The 180-day extension required that DWR and Reclamation develop a February through October 2016 drought contingency plan, provide at least 1.6 million acre-feet end of October storage level in Shasta Reservoir, comply with temperature criteria in the Sacramento River for the protection of salmon, and develop an operations plan for Folsom Reservoir to achieve end of October storage of 200 TAF. The order further called upon Reclamation to prepare a plan to reasonably protect fish and wildlife on the Stanislaus River for 2016.

B. Monthly Supply/Use Report

John reported that total supply projected to be available for the 2015-2016 year was 61,082 AF, use for the month of December was 162 AF, and estimated supply projected for rescheduling into the 2016-17 water year would be around 30,600 AF.

1. Monthly DMC Groundwater Pump-In Program Report

John reported that pump-ins for the month of December were 2,448AF, for a total of 11,360 AF for the year.

C. Additional Supplies Report

Anthea reported that the 2015-16 Annual Additional Supplies Pool was projected to generate 24,208 AF, of which 4,681 AF was planned to be carried over for the 2016-17 Pool. She further noted that over 12 TAF of pre-developed supply would be available for 2016.

1. DPWD-PID Conveyance Agreement Memorandum

Staff provided the Board a copy of the Conveyance Agreement Memorandum Regarding Amendment No.2 to an Agreement for Conveyance of Water Between Patterson Irrigation District and Del Puerto Water District indicating that an estimated 1,219 AF of the 4,588 AF borrowed was all that remained to be repaid by PID in 2017/2018.

6. GROUNDWATER ACTIVITIES REPORT

A. Stanislaus County Water & Technical Advisory Committee Report(s)

reported that the County committees were currently discussing subject matter related to groundwater flow models and their use in developing a county-wide model to support a PEIR of the County's well permitting program and GSA Formation Status for Groundwater Subbasins in Stanislaus County; as well as SGMA data management and modeling requirements, user needs and available tools.

B. Review and Consider SGMA Basin Boundary Adjustment Application

Anthea gave a brief overview of SGMA Basin Boundary Adjustment Application process. She noted that both West Stanislaus ID and DPWD had proposed adjustment to the Delta-Mendota Subbasin Boundaries to include that portion of their respective District's which was located within San Joaquin County and was currently within the Tracy Subbasin, a proposal that initially received some opposition from Banta-Carbona ID. She provided a copy of her letter written to BCID's Board explaining in detail why the request was being made, and reported that she and Board members Koster, Bays, and Jasper had attended a recent BCID Board meeting, where BCID's Board subsequently determined that they would pose no opposition to DPWD's request. After review and discussion, the Board approved submittal of a SGMA Basin Boundary Adjustment Application as follows:

Ayes:	Perez, Jasper, Dompe, Lucich and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar

- C. Review and Consider draft Notice of Formation of a Groundwater Sustainability Agency  
Anthea briefed the Board on the process for GSA formation, and pointed out that if another agency applied to be the GSA for a subbasin, 90-days following the posting of the formation notice by DWR, the GSA shall be presumed the exclusive GSA within the area the agency is managing as described in the notice, provided that no other notice was submitted. She indicated that the County of San Joaquin had filed such an application with DWR to be the GSA for the entire Tracy Subbasin, and that unless other agencies followed with their own notice, in 90 days the County would become the GSA by default. She further recommended that the District pursue the process to become the GSA for its lands within San Joaquin County, and provide a draft copy of a Notice of Public Hearing to be published in the Patterson Irrigator announcing Del Puerto Water District's election to become a Groundwater Sustainability Agency under the Sustainable Groundwater Management Act. After review the board approved the draft Notice of Formation of a Groundwater Sustainability Agency as follows:

Ayes: Perez, Jasper, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

## 7. DRAINAGE ACTIVITIES REPORT

### A. 2016 Farm Evaluation Plan and Sediment & Erosion Control Plans

John reported that Sediment and Erosion Plans for Lands in High Vulnerability Areas required by the Westside San Joaquin River Watershed Coalition were to be developed and implemented by May 31, 2016 for growers who farm on 60 or more acres, November 30, 2016 for growers who farmed less than 60 acres. The Plans are to be updated as farming conditions change and a copy must be kept at each operators' farming headquarters or place of business to be available if Regional Board Staff, or their authorized representative, to conduct an inspection of the operation. Upon review and discussion, it was decided that although District would not formally announce it, Staff would be available to assist those customers requesting guidance on their SEP's. John also reported that the 2016 Farm Evaluation Plans were to be returned to the District by March 1<sup>st</sup>. A flyer from the Watershed Coalition announcing upcoming meetings to review the new requirements under the Irrigated Lands Regulatory Program was also provided.

## 8. FINANCIAL REPORTS

### A. 2015 DMC Emergency Pumpback Program – Final Cost Report

Joy reported that DPWD's share of the final cost associated with the 2015 DMC Emergency Pumpback Program was \$169,508.32 and reviewed the detail of the charges with the Board of Directors.

### B. DPWD CVP Capital Repayment Analysis as of USBR FY Ended 9/30/14 – Report

Anthea reported that as of the USBR's FY ended 9/30/14 and applicable to the 2016 water rates, the District's total allocated capital repayment obligation was \$31,839,612 less cumulative repayment in the amount of \$10,017,060, or \$21,822,520 to be recovered through water rates by 2030.

### C. 2016 USBR CVP Water Rates - Update

Anthea and Joy reviewed the published CVP water rates for water year 2016 as well as previous years' rates for 2015, 2014 and 2013. The current rates showed a significant increase in the last three years due to a lack of recent water allocation.

## 9. SUPPLY DEVELOPMENT PROGRAMS REPORT

### A. North Valley Regional Recycled Water Program – Update

Anthea provided and reviewed the November & December 2015 Progress Reports prepared by RMC. She noted that Staff would soon be working on options for complying with the Salmonid recovery plan

mitigation as required by the NEPA approval, and that pothole work was being done at the DMC in order to complete the design for the facilities, for which a map of the locations was also provided.

1. Reading of Assessment Ballot Results for Recordation Into the Minutes

Anthea read and reviewed the results of the Assessment Ballot with the Board of Directors as follows:

Total number of Ballots Mailed:	245
Total number of Ballots Returned:	128
Total number of Ballots Rejected:	11
Maximum number of potential votes:	4,836,078
Actual number of votes received:	2,746,341
Number of votes rejected:	284,544
Number of votes cast in favor:	2,329,639
Number of votes cast against:	132,158

Based on the results, the WAC-NVRRWP Component fee increase was deemed to have been approved.

B. Orestimba Creek Recharge and Recovery Project – Update

Anthea reported on a recent site visit in late December and shared that she would be working with Chris White to put together information on the next steps of this project to be considered for the 2016 budget. She also noted that the NEPA document for CCID's WaterSMART Gran was nearing completion.

C. Del Puerto Canyon Reservoir Phase I Feasibility Assessment – Update

John Roadifer of AECOM gave a Power Point presentation on the most recent work for the Del Puerto Canyon Reservoir Phase I Feasibility Assessment work and its findings, focusing primarily on reservoir capacity and desktop level studies for locating materials and potential environmental impacts.

10. ADMINISTRATIVE REPORT

A. Transition/Staffing Report – Update

Anthea shared that Pete Hermann continues to assist in screening candidates for the Water Operations Technician position and reminded the Board that John Hansen's last date of work would be February 29, 2016.

B. 2016 WaterSMART Grant Program Application – Acceptance of Project Proposal Consideration and Supporting Resolution

Adam presented a Technical Proposal on a Remote Flow Monitoring Project which would update the District's current monitoring system and allow for real-time, accurate flow tracking of individual growers' water use throughout the District. Total project funding for Phase I would be \$217,140, with a request of \$106,140 to the Bureau of Reclamation's WaterSMART Grant Program and the remaining \$111,000 to be covered by the District. After review and consideration, the Board voted to accept the Project Proposal and approved a Resolution supporting the Grant Application as follows:

Ayes:	Perez, Jasper, Dompe, Lucich and Koster
Nays:	None
Abstentions:	None
Absent:	Escobar

C. Review and Approve Donation to the Milliken Museum in Honor of the Retirement of Dan Nelson after 25 Years of Service to the San Luis & Delta-Mendota Water Authority

Anthea provided a copy of Dan Nelson's farewell letter addressed to all his Employees, Board of Directors and Member Agencies where he shared that after 25 years of serving as the San Luis & Delta-Mendota Water Authority's Executive Director, he would be retiring, and SLDMWA's DRAFT Resolution recognizing the service and contributions he made from 1992-2016. She noted that she would be attending his retirement celebration on January 29<sup>th</sup> in Los Banos, and suggested the

Board approve a donation on Dan's behalf to the Milliken Museum. After consideration, the Board approved a \$500.00 donation to the Milliken Museum as follows:

Ayes: Perez, Jasper, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

D. Review and Approve Waiver of Objection to the Appointment of Marc Vanden as a Division 1 Alternate Director on the Board of the SLDMWA

Anthea reported that with Peter Rietkirk's departure from PID, the position of Division 1 Alternate at the SLDMWA Board of Directors was left vacant. In that regard, she shared that Patterson Irrigation District had nominated Marc Vanden as the Division 1 Alternate Director and Staff was looking for approval from the Board for a Waiver of Objection to his Appointment as a Division 1 Alternate Director. The Board approved the Waiver of Objection to the Appointment of Marc Vanden as a Division 1 Alternate Director on the Board of the SLDMWA as follows:

Ayes: Perez, Jasper, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

E. Review and Approve Appointment of Adam Scheuber as an Alternate Board Member of the SJVDA and an Alternate Member Representative of the SLDMWA O&M Technical Committee

Anthea reported that with John Hansen's retirement, the positions of Upper DMC Alternate to the SLDMWA O&M Technical Committee and Alternate Board Member of the SJVDA would be vacant, and suggested that Adam Scheuber be appointed as a replacement for those positions. After discussion, the Board approved the Appointment of Adam Scheuber as an Alternate Board Member of the SJVDA and an Alternate Member Representative of the SLDMWA O&M Technical Committee as follows:

Ayes: Perez, Jasper, Dompe, Lucich and Koster  
Nays: None  
Abstentions: None  
Absent: Escobar

11. SLDMWA ACTIVITIES REPORT

Anthea provided the SLDMWA Water Policy Administration Report for the month of December for the Board's review.

A. SLDMWA Activities Assessment Report & FY16-17 Activities Budget Draft-Update

Anthea provided the Activities Assessment Report & FY16-17 Activities Budget Draft for the Board's review. She also provided an update on SLDMWA's recent science efforts and options to expand them in the future.

B. SLDMWA Minutes & Open Session Legal Reports

The SLDMWA Minutes & Open Session Legal Reports were provided for the Board's review.

12. MANAGERS REPORTS

A. Senator Feinstein's Drought Bill Draft - Discussion

Anthea reviewed a copy of a Drought Bill Draft that included long-term and short-term provisions to help cope with the historic drought in the West and shared that Senator Costa had requested comments on it, as he was considering sponsoring it.

B. San Luis Drainage Settlement Agreement and Legislation – Update

Anthea reported on and presented a copy of the Legislative Summary for the San Luis Drainage Resolution Act, which would settle a long-standing dispute between the United States and

Westlands Water District concerning the management of drainage water within Westlands' service area in the San Luis Unit of the CVP. She noted that in reviewing the Legislation, she still felt there were areas needing further clarification, and was preparing to draft a letter as such.

C. 2016 San Joaquin River Restoration Program – Update

Copies of the San Joaquin River Restoration Program Update for December 2015 were provided for the Board to review as well as a Draft Finding of No Significant Impact and comment letter submitted by the SLDMWA regarding the proposed 1-year recapture of SJR Restoration flows at PID and BCID for up to 79,079 AF between 2/1/16 and 1/31/17..

D. CA Water Fix – Update

Information was provided on the status of the California Water Fix change petition, the pre-hearing process, and the list of participating parties, which was quite extensive. Also provided were two Water Fix PR pieces, a press release announcing the draft JPA Agreement for the Design and Construction Enterprise, as well as communications indicating that the Regional Director of was soliciting information from CVP contractors regarding repayment options for the use of any California WaterFix facilities.

E. Sites Project Authority and Reservoir Planning Efforts - Update

There was no items to report on this matter.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea provided news correspondence from Friant Water Authority announcing Jason Phillips as their first CEO, information on the 2016 Mid Pacific Region's Water Users Conference, a New York Times article addressing the "El Agua es Asunto de Todos" program, and Reclamation's News Release on the San Joaquin River Restoration Program's 10-year plan and and Draft Assessment to Distribute Unreleased Restoration Flows (URF's).

14. CLOSED SESSION (if deemed necessary)

Closed session took place after Item 8.E. as to accommodate Ernest Conant, who had been excused from jury duty at the time. Upon return from closed session, Anthea reported that the Board approved an Amendment to the current Well Water Pumping Agreement with West Stanislaus Irrigation District as well as a similar DRAFT Agreement for 2016, as well as an Agreement with Patterson Irrigation District for Conveyance of Water from the City of Turlock, both on a unanimous roll call vote. Additionally, she reported that the terms of a protest settlement Agreement between Banta-Carbona Irrigation District, Del Puerto Water District, and the City of Turlock was also approved on the following vote:

Ayes:	Perez, Jasper, Dompe, Lucich
Nays:	Koster
Abstentions:	None
Absent:	Escobar

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to report on this matter.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 12:25 p.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary