



**REGULAR MEETING OF THE BOARD OF DIRECTORS
FEBRUARY 16, 2022
MINUTES**

1. CALL TO ORDER

Vice President Koster called the meeting to order at 8:34 a.m. Board Members present were Zach Maring, Jim Jasper, Jarod Lara, Kyle Perez and via Zoom, Pete Lucich.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea asked if any member of the public wanted to make a comment. Being none, the meeting continued.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. CONSENT CALENDAR

The Minutes from the Board Meeting of 12/15/21, Monthly Accounting Reports as of 1/31/22, and Field Operations Report for January 2022 were provided in advance for the Board's review. The Board approved the Consent Calendar via roll call as follows:

Ayes: Koster, Maring, Lara, Perez, Jasper, and Lucich
Nays: None
Abstentions: None
Absent: None

5. ACTION ITEMS

A. Board Appointment of Daniel E. Bays to Fill Division II Vacancy – Term Expires 12/3/23

Anthea shared that at the last Board Meeting, President Bays announced his immediate retirement from the Board of Directors. A notice was posted of the vacancy in Division 2 after his announcement and an application was filed by his grandson, Daniel E. Bays. Being no other applications were submitted, the Board moved to appoint Daniel E. Bays as the Division 2 Board Member via roll call as follows:

Ayes: Koster, Maring, Lara, Perez, Jasper, and Lucich
Nays: None
Abstentions: None
Absent: None

Anthea added that at the March Board Meeting, an Agenda item will be included to accomplish the appointment of officers

B. Board to Review and Consider Proposed 2022-23 Agricultural Water Rate

Anthea provided the 2022-23 Agricultural Water Rate Draft and shared that although she does not believe there will be an allocation in the 2022-23 Water Year, a proposed rate of \$69.00 per acre foot was developed based on USBR and SLDMWA estimated rates. After review and discussion, the Board approved the 2022-23 Agricultural Water Rate via roll call as follows:

Ayes: Koster, Maring, Lara, Perez, Jasper, Lucich and Bays
Nays: None
Abstentions: None
Absent: None

C. Board to Review and Consider Proposed 2022-23 NVRWP Assessment

Anthea provided and reviewed a Staff report with background information on the 2022-23 NVRWP Allocation. After review and discussion, Staff recommended a rate of \$185/AF to cover the costs of the allocation, which will

be billed as a per-acre assessment semi-annually on January 1st and July 1st, and also recommended that the subset of District customers who have no or little supply other than the NVRRWP allocation going into 2022-23 be identified and that the NVRRWP supply for those customers possibly be made available for use on a measured basis. After review and discussion, the Board approved the Proposed 2022-23 NVRRWP Assessment for 6 inches per acre to be allocated to customers accounts on March 1, as follows:

Ayes: Koster, Maring, Lara, Perez, Jasper, Lucich and Bays
Nays: None
Abstentions: None
Absent: None

D. Board to Review and Consider 2022-23 Contract Conversion Assessment Rate

Anthea recommended to the Board that action be taken on the next four items as a group, but that Staff would first discuss each separately. She indicated that she felt it would be helpful with deliberation of all of the proposed rates were considered in one decision. Anthea provided and reviewed the Draft Contract Conversion Assessment for 2022-23 with the Board and reported that this assessment is required under the terms of the Contract Conversion Construction obligation payoff loan and proposed a rate of \$25.00 per acre.

E. Board to Review and Consider 2022-23 SVDA-ILRP Coalition Membership Dues

Anthea provided and reviewed the 2022-23 Irrigated Lands Regulatory Program (ILRP) Membership Fees assessed to the District by the San Joaquin Valley Drainage Authority and shared that based on the budget needs of the Drainage Authority, the ILRP dues were estimated at \$7.50 per acre.

F. Board to Review and Consider 2022-23 SGMA GSP Implementation Activities Budget

Anthea provided an excerpt from the District's GSP which listed Projects and Management Actions, as well as the proposed 2022-23 Budget for the SGMA Membership Dues, GSP Implementation – OCCRRP, and SGMA Admin. She gave a brief of the law with respect to these fees and proposed the District fund a portion of the OCCRRP implementation within the SGMA implementation budget.

G. Board to Review and Consider Draft 2022-23 Administrative Budget

Anthea provided and reviewed the Draft 2022-23 Administrative Budget. After review and discussion, the Board approved the Draft 2022-23 Administrative Budget at a rate of \$48.00 per acre, the 2022-23 Contract Conversion Assessment Rate at \$25 per acre, the 2022-23 Irrigated Lands Regulatory Program Membership Fees at \$7.50 per acre, and the 2022-23 SGMA Implementation Activities Budget at \$8.13 per acre as follows:

Ayes: Koster, Maring, Lara, Perez, Jasper, Lucich and Bays
Nays: None
Abstentions: None
Absent: None

Anthea asked if there was any member of the public that had any questions before moving on to the next item. Being none, the meeting continued.

H. Board to Review and Consider Annual Surface Water Transfer Policy – 2022-23 Water Year

Anthea provided the Board with a copy of the current Annual Surface Water Transfer Policy. She reminded the Board that said policy was updated in the 2021-22 Water Year to include language that supports the requirements of the Sustainable Groundwater Management Act of 2014, as well as language requiring any customer receiving CVP water and wanting to transfer CVP Supplies out of the District, declare the amount of water wanting to be transferred in advance of purchasing or participating in any additional supplies pool, and that the pool request would be reduced by the acreage associated with the amount of the transfer water requested. She re-iterated that Additional supplies cannot be transferred under the Annual Surface Water Transfer Policy. Although the Transfer Policy for this water year would likely not be needed due to a 0% allocation, after review and discussion, the Board approved the Surface Water Transfer Policy for the 2022-2023 Water Year as follows:

Ayes: Koster, Maring, Lara, Perez, Jasper, Lucich and Bays
Nays: None
Abstentions: None
Absent: None

6. MANAGER'S REPORT

Anthea shared that the State Water Resources Control Board would soon be announcing their decision on last year's challenges. The proposed order was provided for the Board. She reported that in the BIOP court cases, the judge has heard all the arguments and proposed orders from both the plaintiffs and defendants, and that the interim operations plan in place through September would have some implications for 2022-23 Operations, including carryover requirements in Shasta for the end of 2022-23 season. She also reported that she does not believe the District will receive an allocation for the 2022-23 water year.

7. WATER OPERATIONS & SUPPLY

A. CVP/SWP Operations

Anthea asked if there were any questions from the public. Being none, Anthea reported that Staff had formally requested to reschedule 2021 Acquired Non-Project Water and 2021 NVRWP Exchange/Stored supply and would make a final request at the end of the month. She also reported that Jones Pumping Plant was currently operating on two units, Tom Boardman's Storage Projection Charts showed the low point of the 50% exceedance hydrology would be in July at 180,000 AF and under the 90% exceedance projected low point would be in July at 300,000 AF.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 1/31/22

Paul provided the Supply/Use/Completed Transactions Summary Report for January and reported that In-District use for the month of January was at 45 AF. Total current use for the year was 36,731 AF. Total estimated for rescheduling into 2022-23 was 19,542 AF.

C. 2021-22 Additional Supplies Update

Anthea reported that 60 AF of returned supply from Arvin-Edison had been added to the Additional Supplies Pool at a cost of \$266/AF.

D. 2022-23 Supply Pre-Purchase Program Update

Anthea noted there were 6,958 AF of requests of Pre-Purchased 2022-23 Supplies 1,635 AF of late requests, with 1,997 AF having been allocated through January 31st. Another 1,000 AF of transfer supplies will be moved this month through West Stanislaus Irrigation District and in the months ahead more will be available. There is concern of reductions in supply due to WSID's own demands as their use picks up, the capacity to wheel water will be reduced.

E. Landholding / Licensing Updates

1. Un-Related Customer Lease Request – Sekhon/Borges

Anthea gave an overview of an issue regarding a landowner who did not have a pipeline to provide water to his land, and who had asked if it would be possible to lease his actively farmed property to a neighbor for the sake of the water. She requested guidance from the Board as there are similar situations happening in the District, but in most of which the lands are not in active ag production. After discussion, the Board instructed Anthea to allow the landholding change with the understanding that that option will not be available next year. Anthea asked if there were any questions from the public, being none, the meeting continued.

8. RESOURCE MANAGEMENT ACTIVITIES

A. Westside Integrated Regional Water Management (IRWM) Activities

Anthea reported that current IRWM activities are focused on the next round of funding. She shared that there will be \$955,000 available to the Round 2 IRWM funding and that the deadline for public comments for the draft Guidelines and Proposal Solicitation Package had been extended to February 18, 2022. She hoped this will be an opportunity to promote the DPCR for funding.

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

Adam provided a list of customers who had yet to turn in their Farm Evaluation and INMPSR paperwork, but noted that overall compliance was at 99%. He also provided and discussed a memo from Summers Engineering pertaining to Management Zone Planning and indicated that a Management Plan for this will be due in June of 2023 and provided a list of tasks required to accomplish this.

C. Sustainable Groundwater Management Activities

Adam provided and discussed agendas from meetings of the Delta-Mendota Subbasin Coordination Committee. He reported that the next meeting for SGMA would be on February 18th and the group would likely discuss and get guidance on clarifying comments received by DWR and how to proceed on addressing those comments. Anthea also discussed well permits, noting that because the District stretches across three counties, and because each county will have different criteria to accept well permits, procedures will have to be in place to deal with those different criteria.

9. FINANCIAL MATTERS

A. CVP Financial Matters

Anthea provided the CVPWA EC Agenda for the next meeting and reported that the new CVP Director was doing a great job. She reported that Ernest Conant and some of the Bureau of Reclamation staff would be present at this meeting to discuss current financial issues.

Anthea asked if there was any member of the public that wished to ask questions or comment before moving on to Item 10. Mr. Phil Gregory commented that he was very interested in learning about the progress of the Supply Development Programs as it was of interest to him as a Design Consultant and indicated it was a great program that Staff was putting together.

10. SUPPLY DEVELOPMENT PROGRAMS

A. Orestimba Creek Recharge & Recovery Project – Update

Anthea provided a Revised Detailed Application Budget and reviewed it with the Board. She reported that she would be scheduling a special Board meeting to have a hearing to consider the CEQA and NEPA documentation on the project for the first week of March.

B. Del Puerto Canyon Reservoir Project – Update

Anthea reported that bi-weekly discussions with the utility owners continued and that interviews have been completed for design engineers for the Project. No decisions have been made. She and Chris have been working to secure funding for the Project. She hoped to have progress on that in the next few weeks so a package can be put together that will enable the partners to proceed forward with the Design Engineer Contract in an effort to get the Project to the 30% design level. This will re-inform the original Feasibility Reports and cost estimates. The courts have certified the Administrative Record on of Proceedings, which Anthea included in the Packet and now briefings will be compiled before the court hearing, scheduled for July 1st. She also reported that when the Project received a Finding of Feasibility from the California Water Commission in December of 2021, the Commission was considering whether they will re-open a second opportunity for projects to apply for Prop 1 Storage money from the Water Bond of 2014. DPCR and the Stanislaus Regional Water Authority Infiltration Gallery Project were found feasible to apply as they afforded the State of California and its beneficial users of water a resilient and reliable water supply to prepare for worsening conditions due to a changing climate. There may be about \$65 million available for the second round, if the commission decided to proceed. If one of the seven projects drop out, more funding may be available.

C. Los Vaqueros Reservoir Expansion Project - Update

Anthea provided the 6 month calendar for the LVREP, where she serves as a Board Member representing the Activity Agreement group from the SLDMWA, and also as the Vice Chair in that JPA Board as well as a Chair of the Finance Committee. She shared that starting in March 2022, Service Agreements will be discussed. These Agreements are going to be the commitment documents that the members of the Water Authority make to Los Vaqueros, committing their interest in financing a portion of the capacity in this Project. She let the Board know that she was engaged in this JPA to keep the Board as informed as possible regarding all aspects of this potentially long term commitment.

D. BF Sisk Dam Raise Project – Update

Anthea provided and discussed the SLDMWA memo on the BF Sisk Dam Raise Project. She reported that the 12 foot Safety of Dams raise will not include additional storage, but that the proposal to raise Sisk another 10 feet would create 135 TAF of additional storage. Anthea believes that an activity agreement will be circulated soon to fund costs for this Project.

E. Pacheco Reservoir Expansion – Update

There was nothing to report on this item.

F. Ceres-DPWD-Turlock Discussions on Advancing Recycled Water into NVRRWP Facilities
Anthea provided a City Council Agenda Report and shared that Ceres held a Council Meeting on February 14th where she gave a presentation pertaining to the expansion of Ceres' Recycled Water Exports through the NVRRWP. She reported that facility upgrades were needed in order to advance water to the Program sooner than previously thought. In March, Anthea will be going back to the City Council with a proposed MOU for the Project. A Special Meeting would likely take place to obtain approval from the Board to proceed with this expansion.

11. ADMINISTRATIVE ACTIVITIES

A. Schedule Special Board Meeting for March 3, 2022

Anthea explained that a Special Board Meeting for March 3, 2022 will be required to have the Board consider the final approval of the CEQA/NEPA document for the Orestimba Creek Recharge and Recovery Project, as DPWD is a Responsible Agency in the Project. The Bureau of Reclamation is the lead on NEPA and CCID is the lead on CEQA.

12. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the SLDMWA Minutes for the Board to review. She reported that the SLMWA Board had hired CDM Smith and Stantec Consulting Services, Inc. to forward the Subsidence Correction Project along the DMC. She asked if there were any members of the public that had any comments or questions. Being none, the meeting continued.

14. CLOSED SESSION

A. Conference with Legal Counsel – Existing Litigation

There was no Closed Session.

B. Conference with Special Legal Counsel – Existing Litigation

There was nothing to report on this item.

15. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A Memo from Family Farm Alliance sharing the Executive Director's Report, and an article on the fight over Kings County Pipeline were provided for the Board's review.

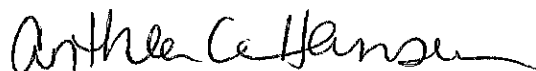
16. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

17. ADJOURNMENT

Being no further business, the meeting was adjourned at 12:04 p.m.

Respectfully submitted,



Anthea G. Hansen
Secretary