

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
BOARD OF DIRECTORS TELEPHONIC REGULAR MEETING
MINUTES FOR SEPTEMBER 17, 2020**

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 9:30 a.m. This meeting was held via teleconference/ZOOM in accordance with the Governor's Executive Order (N-29-20) and the declared State of Emergency as a result of the threat of COVID-19, with Vice Chair William Bourdeau presiding.

Directors and Alternate Directors in Attendance Division 1

Dave Weisenberger, Alternate for James McCloud
Bobby Pierce, Director
Anthea Hansen, Director (arrived during agenda item 12)
Rick Gilmore, Director

Division 2

Ryan Ferguson, Alternate for Dan Errotabere
William Bourdeau, Director
John Bennett, Director
Bill Diedrich, Director

Division 3

Chris White, Director (left after agenda item 6) - Jarrett Martin, Alternate
Ellen Wehr, Alternate for Ric Ortega

Division 4

John Varela, Director - Garth Hall, Alternate
Gary Kremen, Director - Richard Santos, Alternate
Jeff Cattaneo, Director
Sara Singleton, Alternate for Joe Tonascia

Division 5

Bill Pucheu, Director
Tom Birmingham, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Frances Mizuno, Special Projects Administrator
Rebecca Akroyd, General Counsel
Scott Petersen, Water Policy Director
Joyce Machado, Director of Finance
Stewart Davis, IT Officer
Bob Martin, Bob Martin, Facilities O&M Director

Others in Attendance

Mike Wade, California Farm Water Coalition
Tom Boardman, Westlands Water District

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Lora Carpenter, Fieldman Rolapp & Associates
Doug Brown, Stradling Yocca Carlson & Rauth
Dennis Cardoza, Foley & Lardner LLP
Cameron Parks, CITI Group
Chris Park, CDM Smith
Mitch Partori

1. **Call to Order/Roll Call**

The meeting was called to order and roll was called.

2. **Board to Consider Additions or Corrections to the Agenda of Items, as authorized by Government Code Section 54950 et seq.**

No additions or corrections to the Agenda.

3. **Opportunity for Public Comment**

No public comment.

CONSENT ITEMS

4. **Agenda Items 4-6: Board to Consider: a) September 17, 2020 Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Staff Reports.**

On a motion of Director John Varela, seconded by Director Bill Pucheu, the Board accepted the Meeting Minutes, Financial Expenditures Reports, and Staff Reports. The vote on the motion was as follows:

AYES: Weisenberger, Pierce, Gilmore, Ferguson, Bourdeau, Bennett, Diedrich, White, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham

NAYS: None

ABSTENTIONS: None

ACTION ITEMS

5. **Agenda Item 7: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Resolution Providing for the Issuance of Revenue Bonds to Finance a Portion of the Cost of Extraordinary Maintenance to the Jones Pumping Plant, Authorizing the Execution of Certain Documents, and Authorizing Certain Other Actions in Connection Therewith.**

Chief Operating Officer Pablo Arroyave provided an overview of the memo and background from the Special FAC/Board Workshop that was held in August, including direction to pursue a 25-year term for public financing. Arroyave reported that staff recommends issuing bonds with a 25-year term in the public credit markets through the adoption of the proposed Resolution, which approves the following documents in substantial form: 1) Indenture, 2) Continuing Disclosure Certificate, 3) Bond Purchase, 5) Bond Counsel engagement letter, 6) Updated Disclosure Policy Contract. Arroyave introduced Lora Carpenter and financial consultants to present the information in further detail. Carpenter presented a PowerPoint presentation including a summary of the overall project and current funding sources. Carpenter explained the amortization schedule and a breakdown of the costs that would be included. Carpenter reported that there will be a meeting with Moody's to set a rating for the bonds with the goal of receiving bids or potential bids. Cameron Parks of CitiGroup provided a market update, and various statistics regarding interest rates reporting that 2020 rates are particularly low making it an exceptional time for borrowing. Doug Brown completed the presentation by reviewing the resolution and highlighting the disclosure agreement and certain covenants regarding the transfer agreement. Director Tom Birmingham asked for clarification that the term of the bonds will be 25 years. Director Rick Gilmore, chair of the Finance & Administration Committee, confirmed that the term of the bonds will be 25 years.

On a motion of Director Rick Gilmore, seconded by Director Bill Pucheu, the Board approved Resolution providing for the issuance of Revenue Bonds to finance a portion of the cost of extraordinary maintenance to the Jones Pumping Plant, authorizing the execution of certain documents, and authorizing certain other actions in connection therewith. The vote on the motion was as follows:

AYES: Weisenberger, Pierce, Gilmore, Ferguson, Bourdeau, Bennett, Diedrich, Martin, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham

NAYS: None

ABSTENTIONS: None

6. Agenda Item 8: Board of Directors to Consider Water Resources Committee Recommendation to Authorize Withdrawal from the San Joaquin Valley Water Infrastructure Authority (SJVVIA)

Executive Director Federico Barajas reported that in March 2020, Authority staff met with the SJVVIA Chair and communicated that the Authority would not be joining the amended JPA.

Barajas reported that in July 2020, Authority staff learned that the SJVWIA would be finalizing the amended JPA, but was still listing the Authority as a member. Barajas reported that following conversation with the Tulare County Counsel, staff determined that the best way to allow the SJVWIA to proceed with an amended JPA was for the Authority to: (1) propose edits to the amended JPA that clarify the Water Authority's status, and (2) submit a letter representing the Water Authority's withdrawal from the SJVWIA. Barajas reported that once the withdrawal is effective, Water Authority staff can continue to maintain engagement with SJVWIA on an informal basis, by attending relevant meetings and seeking to participate in relevant projects.

On a motion of Director Tom Birmingham, seconded by Alternate Ellen Wehr, the Board approved withdrawal from the San Joaquin Valley Water Infrastructure Authority. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Gilmore, Ferguson, Bourdeau, Bennett, Diedrich, White, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham
- NAYS: None
- ABSTENTIONS: None

7. Agenda Item 9: Board of Directors to Consider Water Resources Committee Recommendation to Adopt Staff Recommendation for Positions on Legislation

- a. H.R. 8166 (Cox), the Western Water Storage Infrastructure Act
- b. S. 4530 (Feinstein)/H.R. 8041 (Harder), Snow Water Supply Forecasting Program Authorization Act
- c. H.R. 8217 (Garamendi), WIFIA Improvement Act

Water Policy Director Scott Petersen reviewed three pieces of legislation. First, Petersen reported that H.R. 8166 (Cox) would increase funding authorization for water storage and conveyance infrastructure and would extend key California water provisions of the Water Infrastructure Improvements for the Nation (WIIN) Act through 2029. Additionally, the legislation would extend the CALFED program through 2024.

Second, Petersen reported that S. 4530/H.R. 8041 would establish a program within the Department of the Interior which will improve the understanding, management, and deployment of snowpack measurement technologies used for seasonal water forecasting and preserve key elements of the basic technology elements of the Aerial Snowpack Observatory program and provides \$15 million in authorizations from fiscal year 2022-2026.

Finally, Petersen reported that H.R. 8217 would amend the Water Infrastructure Finance and Innovation Act of 2014 to extend the maturity date of WIFIA loans from up to 35 years to up

to 55 years and would clarify the budgetary treatment of financial assistance for federal projects for which the recipient is an eligible entity.

Director Gary Kremen expressed a need to pursue an amendment to H.R. 8166, and Director Tom Birmingham, Chair of the Water Resources Committee, agreed. Water Policy Director Scott Petersen explained that Authority staff has been working with Valley Water legislative staff on this issue.

On a motion of Director Tom Birmingham, seconded by Director Rick Gilmore, the Board approved the adopting the staff recommendation for support positions on legislation. The vote on the motion was as follows:

AYES: Weisenberger, Pierce, Gilmore, Ferguson, Bourdeau, Bennett, Diedrich, Martin, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham
NAYS: None
ABSTENTIONS: None

To address the need to pursue an amendment to H.R. 8166, Director Tom Birmingham made an additional motion, seconded by Director Gary Kremen, that staff work with Valley Water to pursue the discussed amendment to H.R. 8166. The Board approved the motion, with the vote on the motion as follows:

AYES: Weisenberger, Pierce, Gilmore, Ferguson, Bourdeau, Bennett, Diedrich, Martin, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham
NAYS: None
ABSTENTIONS: None

8. **Agenda Item 10: Board of Directors to Consider Resolution Authorizing Execution of Amendment 6 to the Agreement for the Supply and Conveyance of Water by the Department of Water Resources of the State of California to the San Luis & Delta-Mendota Water Authority under the Dry Year Water Purchase Program SWPAO No. 20-803, Making Determinations Related to the California Environmental Quality Act, and Authorizing Actions Related Thereto.**

Special Projects Administrator Frances Mizuno provided a brief background on the DWR Dry Year Purchase Agreement, and the 5 amendments. Mizuno reported the Water Authority has entered into performance of the DWR Dry Year Purchase Agreement, as amended by Amendments Nos. 1-4. Mizuno reported that on November 6, 2014, the Board of Director adopted

Resolution 2014-385 Authorizing Execution of Amendment 5 to the Agreement for the Supply and Conveyance of Water by the Department of Water Resources of the State of California to the Authority to establish new pricing for surface water made available from September 30, 2015 to September 30, 2020. Mizuno reported the pricing under Amendment 5 expires on September 30, 2020, and DWR along with representatives of the State Water Contractors and the Authority have completed negotiations for new pricing for surface water for the remaining term of the DWR Dry Year Purchase Agreement from October 1, 2020 – September 30, 2024, and has requested that the Authority enter into Amendment 6 to the DWR Dry Year Purchase Agreement. Mizuno explained that Execution of Amendment 6 will allow the Authority to continue to purchase the Yuba Transfer Water on behalf of the Activity Agreement members, and all Activity Agreement members have recommended execution of Amendment 6. Mizuno reported that Amendment 6 is exempt from CEQA pursuant to CEQA Guidelines section 15301, and other applicable provisions of law.

On a motion of Director Tom Birmingham, seconded by Director Bill Diedrich, the Board approved execution of Amendment 6 to the agreement for the supply and conveyance of water by the Department of Water Resources of the State of California to the San Luis & Delta-Mendota Water Authority under the Dry Year Water Purchase Program SWPAO No. 20-803, making determinations related to the California Environmental Quality Act, and authorizing actions related thereto. The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Gilmore, Ferguson, Bourdeau, Bennett, Diedrich, Martin, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham
NAYS:	None
ABSTENTIONS:	None

9. Agenda Item 11: Board of Directors to Consider Authorizing Los Vaqueros Reservoir Expansion Project Activity Agreement Expenditure of up to \$675,774 in FY21 to Fund Amendment No. 2 to the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning.

Special Projects Administrator Frances Mizuno provided a brief background reminding the Board that the Authority entered into the Contra Costa Water District (CCWD) Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning Agreement dated April 30, 2019 on behalf of the Los Vaqueros Reservoir Expansion Project Activity Agreement members. Mizuno explained that this agreement was for the purpose of providing for cost-sharing to complete the Final Supplement to the 2010 Final EIS/EIR, release of the Final Feasibility Report

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in partnership with Reclamation, financial evaluation of the Project for the Local Agency Partners, development of a long-term governance structure for a likely new Joint Powers Authority, and conceptual and preliminary design.

CCWD has identified additional scope of work and wishes to enter into Amendment No. 2 to the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning to fund this work, and the total cost of all work is \$17,832,667 with \$6,081,967 funded under Amendment 2 with the balance from State and Federal funding. Mizuno reported that all the Activity Agreement Members have approved the execution of Amendment No. 2 by the Authority for an amount up to \$1,013,661. Mizuno reported that this amount will be paid over three equal payments of \$337,887 with the first two payments for a total of \$675,774 scheduled to be paid in FY21. Mizuno reported that since the funds necessary to support Amendment No. 2 were not included in the FY21 Activity Budget, it is necessary to have the Board authorize the additional expenditure of up to \$675,774

On a motion of Director John Varela, seconded by Director Tom Birmingham, the Board approved authorizing Los Vaqueros Reservoir Expansion Project Activity Agreement expenditure of up to \$675,774 in FY21 to fund Amendment No. 2 to the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning. The vote on the motion was as follows:

- AYES: Weisenberger, Pierce, Gilmore, Ferguson, Bourdeau, Bennett, Diedrich, Martin, Wehr, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham
- NAYS: None
- ABSTENTIONS: None

REPORT ITEMS

10. Agenda Item I2: Executive Director's Report.

Executive Director Federico Barajas introduced Chris Park from CDM Smith. Park presented a PowerPoint presentation on the status of: 1) B.F. Sisk Dam Raise Project Feasibility Study development, 2) EIR/SEIS, 3) Caltrans coordination, and 4) permitting effort.

Barajas provide a brief update on the San Luis Transmission Protect reporting that additional coordination meetings have taken place since the last Board meeting. Barajas reported that the first coordination meeting was with management from Western Area Power Administration, and the Bureau of Reclamation to ensure they are aware of the Board's direction to explore alternative funding methods for the project, and enlisted their feedback, and input. Barajas reported that the second coordination meeting was with a private solar company who has expressed

interest in becoming a partner on this project, and have recently provided their proposal, and it's currently under review. Barajas reported that Dennis Cardoza's firm (Foley) also has experts in California that has expertise with power, and Authority staff met with them to explore other potential partnership opportunities.

Director Anthea Hansen provided a brief update on the Del Puerto Canyon Reservoir. Hansen reported that they are working on final efforts on the environmental report, and hope to have it complete by the end of the month.

Alternate Director Garth Hall provide a brief update on the Pacheco Reservoir. Hall reported that environmental work continues, and the project is moving forward.

Alternate Director Garth Hall announced that this will be his last Board meeting due to his retirement at the end of the month. Garth thanked everyone that he has worked with over the years. Staff, and Board members thanked Garth Hall for all his contributions.

II. **Agenda Item 13: Report on State and Federal Affairs.**

Water Policy Director Scott Petersen reported that a coalition of 21 states, the District of Columbia and Guam have sued in federal court to strike down the Trump Administration's changes to the implementing rules for the National Environmental Policy Act (NEPA). Petersen reported that NEPA rule revisions have already faced legal challenges from environmental NGO groups and environmental justice advocates. Petersen reported that Judge James Jones for the U.S. District Court for the Western District of Virginia declined to issue a preliminary injunction or a stay to prevent the new NEPA rules from taking effect, pending his decision on the legality of the regulations. Petersen reported that the Southern Environmental Law Center had argued on behalf of a coalition of 16 environmental groups that the regulations are inconsistent with the foundational environmental statute. Petersen reported that the Authority prepared a detailed comment letter on the CEQ proposed regulations for implementing the procedural provisions of NEPA.

Petersen reported that Reclamation has extended the public comment period for the Shasta Dam Reservoir Expansion Project from September 21 to October 5 to allow more time for public engagement. Additionally, Reclamation posted a virtual open house on the project for interested members of the public.

Water Policy Director Scott Petersen reported that the Senate returned to Washington from August recess last week, and the House is in session this week. Petersen reported that there are a limited number of days to legislate (no votes scheduled in October) and not much progress in the Senate on FY 2021 appropriations bills. Petersen reported that Congress will need to pass

a temporary continuing resolution this month to extend federal funding to at least December and prevent a government shutdown on October 1 ahead of the November elections. Petersen reported that an agreement has been worked out to deliver a clean continuing resolution, although it's not clear how long it would extend to, and it's anticipated that deal will be voted on by the House next week.

Petersen reported that the Senate Energy and Natural Resources Committee held a hearing on S. 4431, legislation introduced by Senator Feinstein and Senator Daines to ease regulatory constraints and expand existing authorities to respond to the wildfires sweeping across the western United States. Petersen reported that this bill would direct the U.S. Forest Service (USFS) to complete three landscape-level, collaborative projects proposed by governors to decrease the risk of wildfire. Eligible activities would include mechanical thinning, slash and ladder fuel reduction and controlled burns utilized to improve wildlife habitat, watershed quality and landscape health. Petersen reported that selected projects would be expedited through a streamlined process to ensure timely analyses so work can be done in an expedited manner. The bill would simplify efforts to reduce fuel loads near USFS trails, roads and transmission lines, for areas less than 3,000 acres in size. Petersen reported that the bill would also create a new grant program to facilitate the removal and transportation of woody biomass to conversion facilities. Petersen reported that Authority staff worked with the Senators office and other stakeholders to expand the provisions to include authority to respond to water infrastructure needs, particularly sediment removal and proactive facility protection.

Petersen reported that the House of Representatives has passed important legislation authorizing Corps programs. Petersen reported that the Senate continues to consider several pieces of water and infrastructure legislation, some of which were highlighted at a July Senate subcommittee hearing where Dan Keppen delivered testimony on behalf of the Family Farm Alliance.

Dennis Cardoza provided a brief update on the COVID relief package, fires & devastation, and an Infrastructure package.

12. Agenda Item 14: Chief Operating Officer's Report.

Chief Operating Officer Pablo Arroyave reported that Jones Pumping Plant continues to pump at 5 units and that level of pumping is expected to continue through October.

Arroyave reported that the Unit 5 Rewind is progressing on time and within budget.

Arroyave reported that DWR is willing to provide a briefing on the Delta Conveyance, and staff is working on dates.

13. **Agenda Item 15: Update on Water Operations and Forecasts**

Westlands Water District's Tom Boardman reported that Jones pumping has been predominantly at capacity since early August and should be able maintain the current rate into at least October. SWP pumping has been limited to less than 10% of capacity through the summer months due to limited Oroville storage.

Shasta and Folsom storage is trending close to Reclamation's median operations forecast with the expected carry over storage in Shasta to be about 2.2 MAF.

San Luis Reservoir projection graphs were discussed which showed that CVP San Luis started refilling by early August. The graphs also showed that CVP San Luis is expected to fall short of filling next year by about 350 TAF with continued dry conditions, but will fill by early March if the winter hydrology is near normal. Responding to a question from Director Bill Diedrich, Boardman stated that that the threshold for a Shasta noncritical year is expected to increase to about 3.9 MAF in 2021 because of low inflows during 2020. The response was followed by a question to Boardman by Director Birmingham inquiring about the long term average inflow Shasta. Unable to recall the average inflow, Director Birmingham requested that Boardman determine the average value and forward it to Executive Director, Barajas for distribution to attendees of the Board of Directors meeting.

14. **Agenda Item 16: Committee Reports.**

- a. Water Resources Committee – Committee Chair Tom Birmingham reported that the committee did meet this month, and discussed and took action on items listed on the agenda.
- b. Finance & Administration Committee – Committee Chair Rick Gilmore reported that the committee meet, and discussed and took action on items listed on the agenda.
- c. O&M Committee – No report.

15. **Agenda Item 17: Outside Agency/Organization Reports.**

- a. **State and Federal Contractors Water Agency (SFCWA)**
No report.
- b. **Family Farm Alliance (FFA)**
Report included in the packet.
- c. **Farm Water Coalition.**
Mike Wade reported that on August 31, 2020 they worked with Authority staff on

a joint press release regarding a rescheduled public meeting on the B.F. Sisk Dam Raise.

d. Association of California Water Agencies

Director Bill Diedrich reported that the Executive Committee is working on a review of ACWA's Executive Director, and would appreciate comments from the Board.

Diedrich reported that the Water Institute has produced a document that warrants review regarding financing San Joaquin Valley Water Infrastructure.

e. San Joaquin Valley Water Blueprint Effort

Water Policy Director Scott Petersen provided a brief update. Petersen reported that the Blueprint Executives Committee met this week and continue to move forward with the technical work that's being done.

16. Agenda Item 18: Board Member Reports.

Director John Varela reported that ACWA Region 5 directors met this week regarding the conference program, and would like to collaborate closely with ACWA members and Ag members throughout the Central Valley.

17. Agenda Items 19-21: Closed Session Report.

Vice-Chair William Bourdeau adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:07 a.m. Upon return to open session at approximately 11:27 p.m., General Counsel Rebecca Akroyd reported that the Board met in closed session, and that the direction to participate in an action had been given, and that the action, the parties, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry. The vote on that action of every member was as follows: Ayes: Weisenberger, Pierce, Hansen, Gilmore, Ferguson, Bennett, Diedrich, White, Wehr, Varela, Cattaneo, Singleton, Pucheu, and Birmingham; No Nos; and No Abstentions. Akroyd stated that no other reportable actions were taken.

18. Agenda Item 22: Reports Pursuant to Government Code Section 54954.2 (a) (3)
No reports.

19. Agenda Item 23: Adjournment.

The meeting was adjourned at approximately 11:29 p.m.



October 8, 2020

To: Pablo Arroyave, Chief Operating Officer
From: Bob Martin, Facilities O&M Director
Subject: O&M Report for September 2020

Operations Department

The C.W. "Bill" Jones Pumping Plant (JPP) operated at five units for the majority of September with an average pumping rate of 3,980 cfs. Pumping was temporarily reduced on September 3rd and 4th due to a failure on the Tracy Fish Collection Facility (TFCF) trash rack cleaner. At the request of Cal-ISO, pumping was temporarily reduced to one unit on September 7th and 8th to assist with emergency power grid management during the heat wave. Pumping was also reduced to one unit September 21st to 22nd due a failure on the TFCF primary louver crane.

Total pumping at JPP for the month of September was 236,798 acre-feet. The O'Neill Pump/Generating Plant (OPP) pumped 92,950 acre-feet and generated 4,839 acre-feet. The Delta-Mendota Canal/California Aqueduct Intertie Plant (DCI) pumped 16,790 acre-feet to help manage water levels due to subsidence related flow restrictions in several areas of the upper DMC.

The Federal share in San Luis Reservoir on September 30th was 360,748 acre-feet as compared to 463,670 acre-feet on September 30th, 2019.

During the month of September, releases from Friant Dam ranged from 397 to 439 cfs and flows entering the Mendota Pool ranged from 67 to 101 cfs. Flows of 70 to 100 cfs were released passed Mendota Dam for the San Joaquin River Restoration Program (SJRRP).

Canal Operations staff members performed open channel and closed-pipe flow measurements, routine patrols, bi-weekly meter readings, well soundings, and meter maintenance during the month of September.

Control Operations staff performed the following switching/clearance placements for the month of September:

- JPP Unit 1 Motor Housing; Replace failed RTD
- JPP Unit 1 Butterfly Valve Hydraulic System; Replace failed pilot valve
- OPP Unit 1; Annual Maintenance

Civil Maintenance Department

The Civil Maintenance crews worked on the following projects for the month of September:

- Chemical and mechanical weed control
- Rodent abatement
- Grading of DMC roads
- Build up outside banks along DMC operating road
- Replace traffic strips on DMC farm bridges at mileposts 99.82 and 100.85
- Repairs to signs and fencing on San Luis Drain (SLD)
- Fabrication and installation of pipe fencing along right-of-way near DCI Plant
- Remove dried drain spoils near DMC Check 13
- Embankment repairs along TFCF primary channel south bank; removal of vegetation and material, re-shape and compact bank, armor bank with bedding material and riprap, improve drainage of paved surfaces
- Repair LBFO wash rack pressure washer
- Remove abandoned communication equipment from Tracy Control Building in preparation of roof refurbishment
- Cut concrete curb at entrance to O'Neill Plant switchyard
- Assist with TFCF trash rake retrieval and transport to JPP Machine Shop for repairs
- Installation of stairs and handrails to DMC turnout gates and meters
- Maintenance and repairs to float lines, signs, fences, and gates
- Garbage collection on DMC, SLD, and Wasteways

Plant Maintenance Department

Electrical/C&I Staff:

- Inspect and repair DCI Plant ventilation fans, louvers, and lighting
- Repair Tracy Water Treatment Plant (WTP) booster pump controls
- Repair Tracy Compound entrance camera
- Installation of TFCF unwatering pump controls
- Replace JPP trash rack cleaner contactors
- OPP Unit 1 and Unit 2 annual maintenance
- Locate and mark 13.8kV cable at TFCF in preparation of embankment repairs
- Replace faulty RTD in JPP Unit 1
- Replace contactor for TFCF primary louver crane hoist motor
- Replaced DMC Check #4 downstream level detector
- Troubleshoot West Volta Well; replaced faulty well level probe
- Connect and commission OPP #2 sump pump
- Assist with OPP SCADA node upgrade

Mechanical Staff:

- OPP Unit 1 and Unit 2 annual maintenance
- Remove JPP sump pump for overhaul
- Commission OPP sump pump #2
- Assist with West Volta Well level probe replacement
- Assist with OPP main unit confined space assessment and rescue procedures
- Retrieve TFCF south trash rack cleaner rake with assistance from divers, repair, and reinstall
- Replace TFCF primary louver cleaner hoist cables

- Review repair and adjustment procedures with manufacturer of TFCF secondary louver travelling screen
- Replace failed pilot valve in JPP Unit 1 butterfly valve block
- Fabricate and install duct extension on Tracy Electric Shop air conditioners
- Prep for installation of new air compressor for the Tracy sand blast and paint building
- Machine JPP Unit 5 slip rings and spare slip ring set
- JPP Unit 5 Rewind Project: NEC completed stacking of laminations and installed finger press plates that were damaged during transportation and repaired at NEC's Brownsville, TX facility. Extensive testing was performed to ensure the integrity of the repaired finger press plates and final pressing of the lamination stacks was completed.

Engineering Department

The Engineering Department staff worked on the following projects this month: JPP Units 5 Rewind Project, OPP hot oil reconditioning, OPP 480V circuit breaker modification, anode replacement projects for DCI and OPP, JPP switchgear buildings relay settings update, DCI Main Transformer Conservator Leak Repair, DCI U4 switchgear replacement, JPP upper thrust bearing RTD modification, TFO sandblast building air compressor installation, JPP Finger Press Plate evaluation for Unit 5, OPP fall protection and confined space improvements, PM for Control Room and switchgear HVAC, Volta Refuge well motor troubleshooting support, DMC subsidence mitigation project, data management and procedures for the Warren Act Contract wells, TFCF embankment repair, and managed RO&M recommendations for DMC bridges. The SCADA department has been working with Firebaugh Canal Water District to incorporate the new magnetic flowmeter readings at MP109.45-R into SCADA, and the deployment of (2) replacement SCADA nodes with new hardware, software and configuration.

Land Management Activity Summary:

This month only one (1) access permit was issued. Permit P2102015 was issued to the San Francisco Public Utilities Commission to enter onto the Delta-Mendota Canal right-of-way to replace their existing underground pipeline (Hetch-Hetchy) located at MP23.97. As a request from Del Puerto Water District, the Engineering Department also staked the Delta-Mendota Canal right-of-way from MP56.80-L to MP57.46-L so the grower can reference when planting his new orchard.

Continued working with City of Patterson on replacement of Rogers Road bridge and also the Black Gulch Creek undercrossing modification. Participated on conference call and coordination regarding DMC ROW usage for land locked property near MP31.59. Provided comments to San Joaquin County regarding guardrail extensions at the Koster Road bridge.

Safety Department

The Safety Department worked on the following items this month:

- JHA support for the crews
- Permit Required Confined Space Rescue planning
- Scheduling of annual hearing tests
- Safety orientation for new hires, Ryan Seidlitz and Cesar Lara
- Sending out Weekly Safety Tailgate and Safety Alert messages.

Work & Asset Management Department

The Work & Asset Management Department worked on the following items this month:

EAM/Financial Software Replacement Project

- In addition to meetings and walkthrough sessions, staff is reviewing, updating and uploading critical ERP data to NetSuite.
- Clean-up of Oracle WAM data in preparation of data migration to NetSuite/Shepherd CMMS continues.
- Developing the End User Training Plan has started.

Contracts in Process

- Assisted the Contract Specialist with pending contracts as needed

Ongoing:

- Purchasing in support of the O&M crews, to maintain warehouse stock, and locate & purchase disinfecting supplies & protective gear to comply with COVID-19 protocols
- Warehouse receiving, stocking, and distribution
- Fleet and property management
- Oracle WAM invoicing
- Janitorial cleaning & disinfecting per COVID-19 guidelines

Information Technology Department

The Information Technology Department worked on the following items this month:

- Install of new services/contracts with AT&T
 - Router and circuit installation phase 1 is complete
 - LBAO, Tracy, Sacramento
 - Installation phase 2 (ASEoD)
 - Installed and awaiting SDWAN
 - Installation phase 3 (SDWAN)
 - Configuration/programming by AT&T
 - September 30th
 - Phase 4
 - Go live October 16th (tentative)
 - Phase 5
 - Port phone call paths to routers in phase 1
 - Two weekly status update calls with AT&T's different team members
- New services/prices with Un-Wired
 - Bandwidth increase will coincide with phase 4
- NetSuite upgrade planning meetings
- NetSuite online training, user and administration
- Continuing support for our "work at home" users
- Configured and installed equipment for new employees in Tracy; Cesar Lara & Ryan Seidlitz
- Assist with FAC, WRC, DHCCP Steering and BOD meetings with Zoom
- Desktop support calls
- Email outage. Repaired primary email database, added disk space to server, split logs and database to separate disk volumes.
- Opened dialogue with KMTG IT staff to coordinate Sacramento Office move.

Human Resources Department

General Administrative Activities:

- Recruitments:
 - Special Programs Manager (currently recruiting)
 - Heavy Equipment Operator (currently recruiting)
 - Apprentice Electrician, Internal only (currently recruiting)
 - Water Resources Program Manager (currently interviewing)
- Compensation Survey – contract awarded to Koff & Associates
- Preparing Open Enrollment
- Employee Appreciation (Annual Employee Service Awards)

Trainings/ Conferences:

- Laures continues with the Leadership Essentials course through the JPIA. It is being held online at this time.
- On-going training with new HR Analyst II, Leslie Hunt
- All employees have completed the Sexual Harassment Training requirement
- Stephanie, Leslie & Laures continue to view webinars for ensure compliance with new legislation as it pertains to COVID-19
- Stephanie, Leslie & Laures view weekly webinars hosted by the JPIA for COVID-19

Government Reporting:

- Families First CoronaVirus Response Act (FFCRA)
- Completed Vets 4212 Reporting

Ongoing:

- FMLA notices/follow ups
- COBRA notices/follow ups
- Worker's Comp follow ups
- Monthly safety points distribution
- Health benefits eligibility/employee assistance
- Maintain OSHA logs for 2020 calendar year
- Wellness program

EXTRAORDINARY O&M & CAPITAL PROJECTS

DELTA-MENDOTA CANAL (DMC)

DMC O&M Road Maintenance Program – Phase 10 (MP 81.69 to 90.54)

Status: Project completed

Bridge Abutment Repair at MP 92.73

Status: Initial project planning began with a site visit. Investigations began to determine status of gas line that crosses under the bridge, adjacent to abutment, and then crosses the DMC attached to the bridge. The 6-inch pipe is owned by PG&E and was determined to be a main transmission line serving the community of Dos Palos. An application was submitted to PG&E to start the discussion of the conflict with a conference call scheduled for October 1st.

DMC Subsidence Mitigation

Status: Reclamation presented the draft summary of findings for the subsidence correction. After checks and peer reviews, this information will be used to prepare the projects technical memorandum and appraisal level cost estimate. Due to the magnitude of this project, Reclamation will most likely be required to perform a feasibility analysis on the various repair alternatives associated with the subsidence mitigation. TSC has scheduled a week long site visit on the DMC for the week of October 5th. Reclamation is also working on the addition of two pumps at the Intertie Pumping Plant. Two supply contracts supply have been awarded. One contract to manufacture the two pumps and motors. The other contract is to manufacture the four large butterfly & check valves. Bids have been received for the installation of the government furnished pumps, motors and valves will be awarded in October. The anticipated installation dates of the government furnished items is April, 2021.

DMC Flowmeter Upgrade Program

Status: Draft contract has been prepared. Board approval documents were prepared and sent to attorney for review. Sole source purchase of the meters is being pursued at the October Board of Director's meeting.

C.W. "BILL" JONES PUMPING PLANT (JPP)

JPP Excitation Cabinet & Control Panel Refurbishment (1800333) FY2018 Project

Status: USBR Denver Office engineering staff continue to work on the design of the static system. 60% design expected from USBR Denver Office in September. 60% draft of boiler plate specifications was sent to Water Authority for review. Provided Control Cabinet Survey pictures per Julie Bader's request.

JPP Unit No. 5 Rewind

Status: National Electric Coil (NEC) began onsite work on June 15th as scheduled and project is currently tracking one week behind schedule. Some of the finger press plates were damaged in a trucking accident while being transported back to Tracy on Sept 4th. They were returned to NEC's facilities in Texas for repair, repairs were completed and NDT performed at NEC's Brownsville Texas facility. The stator core lamination stacking is complete. During the installation of the top finger press plates some cracks were noticed on some of the plates, NEC hired a metallurgist to inspect the cracks and he determined that they are original cracks from when the casting was originally done and posed no possibility of failure. All of the finger press plates are now installed and

EXTRAORDINARY O&M & CAPITAL PROJECTS

torqued. All of the field poles have been removed from the rotor and sent to Texas for refurbishment. The excitation armature repair (slip ring excessive runout) is ongoing, with the Request for Bids due Oct 1. Four bidders attended required site visit, with 2 bids received to date. Both bids are within budget.

JPP/OPP/DCI Fire Protection Systems Assessment

Status: Water Authority staff has drafted a scope of work for an outside engineering firm to provide the assessment. Plans are to contract with Reclamation for review of the assessment completed by the engineering firm.

O'NEILL PUMPING/GENERATING PLANT (OPP)

Design New Access Opening near Pump Bowl (1800332) FY2018 Project

Status: No Activity this month. The design phase of this project has been proposed for FY22 EO&M budget. SLDMWA plans to contract the design of new pump bowls through the original manufacturer, Fairbanks Morse. The new pump bowls will incorporate two cast in 'windows' for access hatches to provide safer, easier maintenance. All proposed modifications will need to be reviewed and approved according to Mid-Pacific Region Guidelines for the Review of Design Drawings and Specifications and Oversight of Related Activities on Transferred Works. This phase would include gathering the necessary engineering information and data to prove that the replacement bowls will operate within the design requirements for the pump. The result of the design phase will be the approval of the design modification and the Technical Specifications necessary to manufacture the new bowls.

Main Transformers Rehabilitation/Replacement Project (2001247)

Status: The VP Study report has been peer-reviewed and being processed for release. The USBR Denver Office (TSC) has provided the Project Management Plan (PMP) to Reclamation Tracy Office. Letter of Agreement (LOA) 20-LC-20-2742 has been submitted and signed. The funds have been sent to Reclamation Mid-Pacific Region. Survey pictures of Auxiliary Control Board CCB have been sent to TSC per request. Modifications to the switchyard concrete curb to install a slide gate for easier access has started. System outage scheduled for Oct. 26-30 has been approved by CVO and WAPA, but still waiting for approval from DWR. Contract documents for the hot oil reconditioning for A, B, & C phase transformers is currently out for bid.

Arc Flash Hazard Analysis, Facility Rating, & Protective Relays Reviews (Electrical Equipment Periodic Reviews) (2001994)

Status: The survey was completed in June by the USBR. The periodic review reports are scheduled to be completed by February 2021.

TRACY FACILITIES (TFO)

TFO Domestic Water Treatment Plant Replacement (2000158)

Status: No activity this month.

EXTRAORDINARY O&M & CAPITAL PROJECTS

TFO Control Building Foam Roof Re-Coating (2100997)

Status: Invitation for Bid was advertised, and two bids were received. The Notice of Intent to Award was sent to the lowest bidder, American Foam Experts. Currently waiting for the performance bond documentation.



STAFF MEMORANDUM

TO: Board Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: October 8, 2020

RE: Update on Science Program

SUMMARY

The San Luis & Delta-Mendota Water Authority's ("Water Authority") current science commitments for Fiscal Year 21 (March 1, 2020 – February 28, 2021) may be considered in three categories. First, the Water Authority re-budgeted \$362,063 in the current budget to fund seven studies previously authorized to be funded. Second, the Water Authority began the year with approximately \$62,026 in funds remaining from the State and Federal Contractors Water Agency ("SFCWA") to fund three studies initially authorized by SFCWA and transferred to the Water Authority for funding and management. Third, the Water Authority has budgeted \$500,000 in the current budget for science studies. More detail regarding the various science commitments is provided below. In total, the Water Authority started the current fiscal year with approximately \$924,089 available to fund science, of which \$623,089 has been obligated.

1. Previous Commitments - \$362,063 in FY 21 Budget

Subject	Description of Work / Objective(s)	FY 21 Budget
Rice Fields Fish Food Study – Delta Fallowing Pilot Program	Study of flooded rice ground relative to food production for native fish. Goal to better understand aquatic food web productivity on managed floodplains	\$31,290
Development of eDNA monitoring tool for detection of Delta Smelt	Goal to develop an accepted eDNA monitoring tool for species detection in tidally mixed aquatic ecosystems in the Delta, and to advance eDNA aquatic monitoring towards a state-of-science that can be applied in the context of scientific, policy, and regulatory decision-making	\$63,000
Sacramento-San Joaquin Delta Fallowing Pilot Evapotranspiration Monitoring Program	Study between April 1, 2018 and September 30, 2018 of consumptive use on between 2,000 and 4,000 acres in the legal Delta during the 2018 irrigation season. Goal to identify a method of reliable measurement of the reduction in	\$10,000

	consumptive use associated with temporary crop idling on lands within the legal Delta.	
Establishing Environmental Baselines for the Shallow Shoals of Tule Red Bathymetry, Water Quality, and Macroinvertebrate Densities	Study of Tule Red tidal restoration project that is expected to provide food resources and rearing habitat to contribute to the recovery of native fish and wildlife. Goal to gather baseline data needed to better understand the effects of the tidal marsh restoration process on the Project intertidal mudflat and subtidal (together shallow shoals) areas.	\$45,274
Interior Delta Export Effects Study	<p>Study of specific data gaps related to export operation effects on juveniles salmonids. Goal to fill information gaps on juvenile salmonid survival in the south Delta to update salmonid loss models, optimize survival for salmonids near salvage facilities, and support water reliability through enhanced coordinated operations.</p> <p>Last year, the Study didn't receive its anticipated Proposition 1 grant to go to scale, so Authority funding provided for the study to continue and provide capacity for a grant application for the recent Proposition 1 grant funding notification, which was recently awarded.</p>	\$30,785
Delta Smelt Incidental Take Limit Research	Funds support the evaluation of differences in salvage between pre- and post-BiOp conditions and the determination of how much variance in salvage can be explained by each of the predictor variables. Support provided to ICF Jones & Stokes, Inc., through a cost share with SWC.	\$14,252
CAMT Facilitation	Funds support facilitation and assistance with CAMT and CSAMP meetings. Main contracts with Essex Partnership (Bruce DiGennaro) and Hansen Environmental (Chuck Hansen) held by SWC. The Water Authority has shared the facilitation costs informally with State Water Contractors, but moving forward facilitation costs are anticipated to be provided by Reclamation, with water contractors funding studies.	\$75,000

2. SFCWA-Funded Studies Being Managed by the Water Authority - \$4,628 Remaining

Subject	Description of Work / Objective(s)	SFCWA Funds Remaining
Analysis of Phytoplankton Blooms and Ambient	Study of phytoplankton abundances and biogeochemical rates and review of	\$0

Phytoplankton Populations in the Delta	Phytoplankton bloom events data. Goal to analyze existing data to improve understanding of controls on phytoplankton blooms in the north Delta, and to assess the relationship of those blooms to zooplankton population abundances and growth rates.	
Measuring Impact of Control of yellow Starthistle in the Northern Sac. Valley and Superior California on Watershed Runoff and Groundwater Levels	Study of the water benefits of yellow Starthistle (YST) control. If there appears to be replicable water supply benefit from YST removal, will prepare plan of recommended YST removal in California that results in increased runoff and/or improved groundwater levels.	\$4,628
Rice Fields Fish Food Study – Delta Following Pilot Program	Study of flooded rice ground relative to food production for native fish. Goal to better understand aquatic food web productivity on managed floodplains	\$0

3. New Science - \$500,000 in FY 21 Budget

Subject	Description of Work / Objective(s)	FY 21 Budget
Science Studies/Efforts		\$500,000
Joint Funding of CSAMP Delta Smelt Structured Decision Making Scientific Support	Funds support development of additional biological support for the Delta Smelt Structured Decision Making process, specifically Identification and exploration of key effect pathways for impacts to each delta smelt life stage.	\$25,000
Joint Funding for Initiation of Delta Channel Maintenance Planning Effort	Funds support development of and establish criteria for silt removal operations and mitigation measures for a long-term channel maintenance program in the South Delta	\$50,000
Joint Funding of Delta Smelt Structured Decision Making Phase 3	This funding would support management and technical analyses required to conduct Phase 3 for the CSAMP Delta Smelt Structure Decision Making (SDM) project. Technical analyses would include modeling and the application of other analytical tools to evaluate the consequences of proposed management actions for Delta Smelt as well as the evaluation of potential consequences to other resource values including water supply and agriculture. Phase 3 is scheduled to occur from September 2020 to September 2021.	\$75,000
Joint Funding for Hanson Environmental as CAMT Technical Support	This funding would support continued CAMT participation by Dr. Charles Hanson through a contract with the State Water Contractors. Dr. Hanson assists in the development of various workplans and products, including Charters,	\$30,000

	presentations, whitepapers, and other materials to support collaborative science.	
Joint Funding to Enhance Decision-Support Predictions for Management Actions to Benefit Delta Smelt	This work is to develop a path forward to enhance decision-support predictions for management actions to benefit Delta Smelt. This contract would support management of a series of engagements with experts and CSAMP members to identify and explore potential approaches for the structure and function of an advanced decision-support model that would incorporate system productivity and other factors that could benefit Delta Smelt. SLDMWA funding would be used to augment funding being provided by the Delta Science Program and the State Water contractors to cover Dr. Denise Reed’s time to organize and facilitate engagements, including an expert workgroup, and to prepare a draft white paper documenting the outcomes from the effort.	\$4,000
Water Blueprint for the San Joaquin Valley 501(c)(3) Education Fund, Socioeconomic Impact Study Phase 2	Completion of Phase 2 of the 8-county study, using IMPLAN, to describe the economic and socio-economic impacts of water supply deficit in the Valley and to provide economic analysis support for various policy options promulgated by the Technical Committee to address the imbalance	\$15,000

FUTURE SCIENCE PROGRAM DIRECTION

The recently released federal Biological Opinions require annual scientific review of the Reasonable and Prudent Measures scientific panel review in years 4 and 8 of the implementation of the Biological Opinions.

It is anticipated that increased engagement on scientific studies to prepare sufficient scientific bodies of knowledge on the adaptive management provisions of the new biological opinions will be necessary from public water agencies in order to adequately prepare for the 4- and 8-year scientific review of the implementation of the new Biological Opinions. Staff is coordinating with CSAMP/CAMT, as well as Reclamation, NOAA Fisheries and U.S. FWS to determine anticipated annual scientific investments necessary to prepare for the scientific panels.

Authority staff is planning to focus on key areas for the 2021 and future budgets, in order to assist in the development of a more coordinated science strategy between public water agencies and state and federal agencies who fund the scientific enterprise. Specifically, these recommended areas are:

- Technical Support for Authority Engagement in Regulatory Processes

October 8, 2020

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- Steelhead Monitoring and Protection
- Delta Smelt Structured Decision Making Scientific Expertise
- CSAMP/CAMT Support
- Development of Voluntary Agreement Science Plan

Technical Support for Authority Engagement in Regulatory Processes

The Authority has need of additional biological expertise to provide comments and a higher level of engagement with regulatory entities, including the State Water Resources Control Board, NOAA Fisheries, the U.S. Fish and Wildlife Service, California Department of Fish and Wildlife and others. Specifically, Authority staff is proposing to issue an RFQ for scientific and biological support services and to establish contracting authority with a number of consultants for on-demand services centered on the areas of expertise of the respective consultant and staffing availability.

Steelhead Monitoring and Protection

The status of steelhead population trends continues to pose a threat to water supply reliability for south-of-Delta Central Valley Project contractors. Significant data gaps exist in the scientific body of knowledge regarding steelhead, including a method for estimating population levels and continued support of the I/E ratio in state level regulatory proposals. Steelhead species receive less funding than other scientific research, indicating an opportunity where the Authority could add value to the scientific enterprise. Specifically, there is a need for better data analysis and synthesis for steelhead.

Delta Smelt Structured Decision Making Scientific Expertise

Compass Resources, who manages the Delta Smelt Structured Decision Making process, has identified a need for a biologist for biological resource support, including literature searches that would better inform the SDM process. The Authority and the State Water Contractors are jointly funding this expertise.

CSAMP/CAMT Support

The Authority has remained engaged in CSAMP/CAMT and has jointly funded facilitation support, technical support and scientific studies related to management actions associated with project operations.

Development of Voluntary Agreement Science Plan

The Authority has previously funded facilitation of the Governance, Science and Adaptive Management Working Group and staff is proposing to continue that commitment through contributing funds for the development of the Science Plan for implementation of the Voluntary Agreements.

XII A.



MEMORANDUM

TO: SLDMWA Board of Directors, Alternates

FROM: Pablo Arroyave, Chief Operating Officer
Jacob Oxenrider, Operations Supervisor

DATE: October 8, 2020

RE: Adoption of Resolution Making Single Source Findings and Authorizing Execution of Single Source Contract for Purchase of Flowmeters from McCrometer, Inc.

BACKGROUND

The replacement of the Delta-Mendota Canal (DMC) Turnout Flowmeters is a current approved FY21 EO&M project. Water Authority staff have replaced existing Sparling propeller flow meters with the proposed Water Specialties Open Channel Flowmeters on an as needed basis; there have been 6 replacements to date. The replacement meters, manufactured by McCrometer, Inc., have included a telemetry option that allows staff to obtain automated meter readings, and they have had successful operation since.

The existing flowmeters installed within the DMC turnouts are Sparling propeller flow meters. The meters have exhausted their useful life and are in need of replacement. Water Authority staff has researched alternative flow meters with the intent of modernizing the meter data collection to reduce labor for flow meter readings and integrate with the Water Operations water accounting software.

ISSUE FOR DECISION

Whether the Board should adopt the resolution making single source findings and authorizing the execution of a single source contract for the purchase of flowmeters from McCrometer, Inc. for the estimated cost of Two Hundred Forty-One Thousand Dollars (\$241,000).

RECOMMENDATION

Staff recommends adoption of the single source findings and authorization to execute a single source contract for the purchase of flowmeters from McCrometer, Inc. for the estimated cost of Two Hundred Forty-One Thousand Dollars (\$241,000).

ANALYSIS

The Water Authority routinely maintains DMC turnout flowmeters and takes volumetric meter readings on a monthly basis for the 200 plus flowmeters installed within the DMC. Under current water meter

operations, it could take upwards of a month to discover a potential problem with the meter and an additional two weeks for repair, if needed. An automated system will allow Water Operations to match water orders with flow data to determine when a particular turnout is operating and more importantly operating in condition that differs from normal operations, indicating a need for investigation.

This authorization will accelerate the replacement and modernization of the flowmeters with this authorization of Phase I of III over the next three (3) Fiscal Years.

Purchase of the flowmeters from McCrometer will:

1. Allow for automated meter reading of all new turnout meters and retrofit meters;
2. Eliminate ancillary equipment needed for automation as this system is all inclusive;
3. Keep the vendor accountable and unable to blame ancillary equipment for faulty readings;
4. Allow for efficient above-ground installation, anticipated in approximately 30 minutes per unit; and
5. Eliminate the need for labor to install alternative flow meter brackets and ancillary equipment.

The Water Specialties Open Channel Flowmeter has been chosen as a single-source product for two primary reasons:

1. It is the only flowmeter that comes with a built-in telemetry option. Meter readings are transmitted directly to the Water Operations database daily. Meters supplied by competitors required staff to collect information via drive-by methods.
2. Installation of meters can be accomplished utilizing the existing bracket system and without ancillary equipment. Alternative brand flowmeters require additional labor and equipment for the installation of new flowmeter brackets.

The only meter which met the requirements of both a direct fit replacement and added data collection capabilities is the Water Specialties Flow Meter. Additional information relating to the selection of the Water Specialties Flow Meter is included in that attached resolution.

ATTACHMENTS

1. Resolution
2. Single Source Justification
3. Draft Equipment Purchase Agreement



MEMORANDUM

TO: SLDMWA Finance and Administration Committee/Board of Directors, Alternates

FROM: Pablo Arroyave, Chief Operating Officer

DATE: October 5, 2020

RE: Discussion regarding Jones Pumping Plant Unit Rewind Project Financing, including Sources

BACKGROUND

The JPP Unit Rewind Project consists of six units. Two unit rewinds have been completed and the third is in progress. Funding for the fourth unit is required by November 1, 2020 in order to stay on schedule with the current contractor (NEC).

Reclamation provided a loan to fund the first unit and the Water Authority funded the 2nd unit. The Water Authority recently entered into a second Repayment Contract with Reclamation to fund two (2) units. The Water Authority needs to secure additional funding for the remaining two (2) units.

In the September 2020 Board of Directors meeting, the Board adopted a Resolution Providing for the Issuance of Revenue Bonds to Finance a Portion of the Cost of Extraordinary Maintenance to the Jones Pumping Plant, Authorizing the Execution of Certain Documents, and Authorizing Certain Other Actions in Connection Therewith. In this Resolution, the Board authorized staff to take necessary actions to move forward with public financing of the remaining two units, with the understanding that staff would return to the Board in October to discuss whether public financing or a WIFIA loan was the preferred source of funding for the project.

ITEMS FOR DISCUSSION

1. Continued pursuit of public financing with a 25-year term rather than a WIFIA loan to finance the remaining two units of the JPP Unit Rewind Project
2. Exploration of an agreement with the Friant Water Authority (FWA) that would allow separate payment of the FWA share of funding (approximately 40%) outside of bond issuance

ANALYSIS

Since the Board action in September, staff has proceeded in finalizing documents and scheduling meetings necessary to move forward with the public financing, over a 25-year term, to finance the remaining two units of the JPP Unit Rewind Project. The current schedule has the final POS coming to the Board for approval in November 2020.

The WIFIA application process is currently in the due diligence phase of the loan review. Water Authority staff has been working on the application process with EPA. However, significant questions still persist regarding the Water Authority's eligibility for WIFIA financing and there is no assurance that the Authority would be successful in acquiring the WIFIA loan. While legislation that would address federal nexus concerns has been introduced and has passed the Senate as a part of that chamber's version of the Water Resources Development Act, enactment of that legislation before the end of 2020 is uncertain and will be significantly influenced by the outcome of the November elections.

In addition, FWA has expressed an interest in paying their approximately 40% share of the obligation for the 2 units separately and not participate in the public bond process. FWA is proposing a payment schedule below that corresponds to the timing of the payments the Water Authority will need for NEC. In addition, this proposal will be discussed with Moody's Rating Agency on October 12th to ensure that there are no outstanding concerns with this approach. Assuming no adverse impacts to Water Authority members associated with such a payment scheme, an agreement or MOU to allow separate payment by FWA of their share of the obligation would be brought to the Board for approval in November 2020.

Payment	Date	Friant Share at 40% of Total
Unit 1 NTP	11/1/2020	1,755,108.40
Unit 1 Mid	6/1/2021	-
Unit 2 NTP	7/1/2021	995,154.34
Unit 1 Test	11/1/2021	701,918.68
Unit 2 Mid	4/1/2022	778,678.00
Unit 2 Test	8/1/2022	709,007.00
Totals		4,939,866.41

The above payment schedule is based on the estimated costs of the remaining two units of the Rewind Project, as well as FWA's estimated share of the cost of the two units (the estimate is based on a 40% share, while FWA's most recent calculated average allocation is around 38%). Consistent with the Water Authority's invoicing and accounting practices, the actual amount of funding to be provided by FWA will be reconciled and "trued-up" such that FWA will pay their appropriate share based on the Reserve Fund allocation methodology and the actual cost of the two units of the Rewind Project. As such, FWA may receive a credit for any overpayment or an

Memo to SLDMWA Finance & Administration Committee, Board of Directors
October 5, 2020
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additional billing if necessary to ensure FWA pays its appropriate share to ensure there is no impact to other Contractors.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

CALCULATION OF RESERVE OBLIGATION (Self-Funding 2 Unit Rewinds)

Based on WY17 True Up-10 Year Historical Deliveries Data

\$12,349,666.00

ILLUSTRATION ONLY

Service Area/ Contractor	10 Year Historical Delivery %	Illustration ONLY Reserve Obligation
Upper DMC		
Banta Carbona	0.4264%	\$ 52,664.20
Centinella	0.0000%	\$ -
Del Puerto	2.5513%	\$ 315,082.20
Patterson	0.3734%	\$ 46,112.07
Byron Bethany (Plain View)	0.3644%	\$ 44,997.46
West Side	0.1028%	\$ 12,690.18
West Stanislaus	0.9751%	\$ 120,419.56
Tracy	0.3786%	\$ 46,750.05
Subtotal	5.1719%	\$ 639,715.71
SL Unit		
Pacheco	0.4574%	\$ 56,486.52
Panoche	1.9133%	\$ 236,291.71
San Luis	2.9230%	\$ 360,974.66
Westlands	27.7818%	\$ 3,430,955.44
Broadview	0.0000%	\$ -
Subtotal	33.0755%	\$ 4,084,708.33
Lower DMC		
Broadview	0.0003%	\$ 34.35
Eagle Field	0.1058%	\$ 13,061.30
Mercy Springs	0.1321%	\$ 16,319.27
Cro Loma	0.0694%	\$ 8,569.10
Pacheco	0.0000%	\$ -
Panoche	0.3604%	\$ 44,513.46
San Luis	0.6027%	\$ 74,425.27
Widren	0.0149%	\$ 1,834.18
Subtotal	1.2855%	\$ 158,756.93
Mendota Pool		
Fresno Slough	0.0761%	\$ 9,393.56
Tranquillity PUD (Hughes)	0.0016%	\$ 201.82
James ID	0.7638%	\$ 94,332.53
Laguna	0.0151%	\$ 1,864.85
Reclamation Dist 1606	0.0060%	\$ 739.19
Coelho Trust - Terra Linda	0.3220%	\$ 39,760.54
Tranquillity ID	0.6881%	\$ 84,980.68
Westlands	0.2446%	\$ 30,212.40
Subtotal	2.1173%	\$ 261,485.58
San Felipe		
Santa Clara	4.9091%	\$ 606,253.23
San Benito	0.8663%	\$ 107,227.69
Subtotal	5.7773%	\$ 713,480.82
SJR Exchange		
Upper		
Lower/Pool		
Subtotal	38.5530%	\$ 4,761,162.70
Other		
Avenal	0.1191%	\$ 14,709.61
Coalinga	0.2754%	\$ 34,010.18
Huron	0.0543%	\$ 6,707.94
Subtotal	0.4488%	\$ 55,427.73
Refuge	13.5706%	\$ 1,675,928.20
	100.0000%	\$ 12,349,666.00

Note: Using WY20 estimated deliveries at a 40% allocation - Rate per AF is \$5.92 (if collected in one year)