

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY  
BOARD OF DIRECTORS TELEPHONIC REGULAR MEETING  
MINUTES FOR NOVEMBER 5, 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 Chair Cannon Michael presiding.

**Directors and Alternate Directors in Attendance Division 1**

Dave Weisenberger, Alternate for James McCloud  
Bobby Pierce, Director - Vince Lucchesi, Alternate  
Anthea Hansen, Director  
Rick Gilmore, Director

**Division 2**

Dan Errotabere, Director  
William Bourdeau, Director  
John Bennett, Director  
Bill Diedrich, Director

**Division 3**

Jeff Bryant, Alternate for Dan McCurdy  
Chris White, Director - Jarrett Martin, Alternate  
Cannon Michael, Director  
Ric Ortega, Director - Ellen Wehr

**Division 4**

John Varela, Director  
Gary Kremen, Director  
Jeff Cattaneo, Director

**Division 5**

Bill Pucheu, Director  
Tom Birmingham, Director  
Robert Motte, Alternate for Steve Stadler

**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  
Lauren Neves, Accountant III  
Stewart Davis, IT Officer  
Bob Martin, Facilities O&M Director

**Others in Attendance**

Mike Wade, California Farm Water Coalition

DRAFT

Tom Boardman, Westlands Water District  
John Wiersma, Henry Miller Reclamation District  
Dennis Cardoza, Foley & Lardner LLP  
Dana Jacobson, Valley Water  
Aaron Baker, Valley Water  
Brian Nash, Richardson & Company, LLP

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 4-7: Board to Consider: a) October 8, and October 21, 2020 Meeting Minutes, b) Acceptance of the Financial & Expenditures Reports, c) Treasurer's Report for the Quarter Ending September 20, 2020, d) Staff Reports.

On a motion of Director Tom Birmingham, seconded by Alternate Director Dave Weisenberger, the Board accepted the Meeting Minutes, Financial Expenditures Reports, Treasurer's Report, and Staff Reports. The vote on the motion was as follows:

AYES: Weisenberger, Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett, Diedrich, Bryant, White, Michael, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Motte

NAYS: None

ABSTENTIONS: None

ACTION ITEMS

5. Agenda Item 8: Board of Directors to Consider the Finance & Administration Committee Recommendation Regarding the Final Fiscal Year (FY) 2020 Audited Financial Statements.

Director of Finance Joyce Machado introduced the Authority's external auditor Brian Nash from Richardson & Company, LLP. Nash reported that a detailed report was given to the Finance

Committee on Monday. Nash stated that the auditor's opinion was clean and the opinion was not modified with respect to the Authority having adopted GASB Statement No. 84, *Fiduciary Activities* during the year ended February 29, 2020. Nash provided a brief summary of the FY20 Audited Financial Statements, Management Letter, and Governance Letter.

Director of Finance Joyce Machado thanked Brian Nash, his team, and her staff for all the hard work and dedication.

On a motion of Director Rick Gilmore, seconded by Director Anthea Hansen, the Board accepted the Final Fiscal Year (FY) 2020 Audited Financial Statements. The vote on the motion was as follows:

AYES:	Weisenberger, Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett, Diedrich, Bryant, White, Michael, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Motte
NAYS:	None
ABSTENTIONS:	None

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

Dennis Cardoza provide an update on the election, and its effects on different congressional positions and the State legislature. Cardoza offered to have a special briefing from the Foley team after the election.

7. **Agenda Item 9: Board of Directors to Consider the Finance & Administration Committee Recommendation Regarding Jones Pumping Plant Unit Rewind Project Financing Options.**

a. **Action to Authorize the Executive Director to Execute a Funding Agreement for Jones Pumping Plant Unit Rewind Project with the Friant Water Authority –**

Executive Director Federico Barajas reported that Item 9a will be presented to the Board today, and Item 9b will be deferred to next month based on the recommendation of the Finance & Administration Committee. In September, the Board authorized staff to pursue public offerings not to exceed \$15 million, however, if the Board agrees to enter into a funding agreement with Friant Water Authority, the Authority will only need to seek financing of \$7.4 million. Barajas then turned it over to Chief Operating Officer Pablo Arroyave to go over the staff memo. Arroyave reported that the draft POS was sent out for comments, and those comments are due by close of business November 13, 2020. Once comments are received, staff will work with bond counsel to address those comments and staff will send out a clean copy, and a redline for further review before the December meetings. Bond Counsel Doug Brown then reviewed the draft resolution, and the preliminary official statement.

General Counsel Rebecca Akroyd reviewed provisions of the draft Funding Agreement

with Friant Water Authority.

- b. Resolution Authorizing the Preparation and Distribution of a Preliminary Official Statement with Respect to Revenue Bonds to Finance a Portion of the Extraordinary Maintenance to the Jones Pumping Plant, Authorizing the Execution of Certain Documents, and Authorizing Certain Other Actions in Connection Therewith –Deferred to next month.
- c. Action to Self-Fund the 4<sup>th</sup> and 5<sup>th</sup> units of the Jones Pumping Plant Unit Rewind Project by Including a Component Rate for the Unit Rewinds in FY22 and FY23 O&M Rates – This item was also deferred to next month.

On a motion of Director Tom Birmingham, seconded by Director Rick Gilmore, the Board Authorized the Executive Director to Execute a Funding Agreement for Jones Pumping Plant Unit Rewind Project with the Friant Water Authority. The vote on the motion was as follows:

AYES: Weisenberger, Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett, Diedrich, White, Michael, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Motte

ABSTENTIONS: None

ABSTENTIONS: None

8. Agenda Item 10: Board of Directors to Consider the Finance & Administration Committee Recommendation Regarding Adoption of Resolution Amending Resolution Updating Banking Relationship with and Signature Requirements for Central Valley Community Bank and Superseding Resolution Nos. 2009-293, 2017-415, and 2020-455

Chief Operating Officer Pablo Arroyave reported that Authority staff levels, salaries, overall budget and credit card needs have grown significantly since 2009, and the current limitations no longer allow for payroll related ACH's to be processed in one day, which includes payroll, retirement contributions and payroll tax payments. Arroyave reported that the Visa limit of \$75,000 precludes the Authority from adding additional cards or increasing limits without reducing or closing an existing card. Arroyave reported that based on the analysis, which was included in the memo provided, that an ACH limit of \$500,000 and a \$125,000 limit for business Visa cards for a total limit of \$625,000 would be sufficient.

General Counsel Rebecca Akroyd provided a brief overview of the Resolution.

On a motion of Director Rick Gilmore, seconded by Director Tom Birmingham, the Board adopted the Resolution Updating Banking Relationship with and Signature Requirements for Central Valley Community Bank and Superseding Resolution Nos. 2009-293, 2017-415, and 2020-455. The vote on the motion was as follows:

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AYES: Weisenberger, Pierce, Hansen, Gilmore, Errotabere, Bourdeau, Bennett, Diedrich, White, Michael, Ortega, Varela, Kremen, Cattaneo, Pucheu, Birmingham, Motte

ABSTENTIONS: None

ABSTENTIONS: None

REPORT ITEMS

9. Agenda Item 11 (continued): Report on State and Federal Affairs.

Water Policy Director Scott Petersen provided a brief update on the election and election results. Petersen reported that the majority of the Water Authority's congressional delegation comfortably held their seats. Petersen reported that the sole outstanding race is Rep. T.J. Cox and that race will take a bit to decide.

Petersen reported that President Donald Trump last month signed an Executive Order on "Modernizing America's Water Resource Management and Water Infrastructure." Petersen reported that this action ensures Federal coordination on water policy is standard practice now and into the future by formally establishing a Water Subcabinet of senior Federal agency officials to facilitate efficient and effective management and modernization of our water supplies and systems while also eliminating duplication between agencies.

Petersen reported that yesterday, after the Trump Administration invested nearly \$5 million to study and begin pre-construction work on the Friant Kern Canal Project, the Bureau of Reclamation signed the Record of Decision giving environmental clearance to repair a 33-mile stretch of the canal in California's eastern San Joaquin Valley. Petersen reported that the section of the canal has lost over half of its original capacity to convey water due to subsidence—a sinking of the earth from groundwater extraction, and the repairs will eventually restore full water delivery to over one million acres of farmland and 250,000 residents.

10. Agenda Item 12: Executive Director's Report.

- a) Los Banos Office and Sacramento Office Space – Los Banos Office- Executive Director Federico Barajas reported that a draft RFP was provided to Board members for their review regarding New City of Los Banos Milliken Museum and Office Complex. The Milliken Museum Society (Society) is planning to issue RFP later this month. The Authority is partnering with the Society in this planning process but there are no funding commitments for the Authority right now. Barajas next provided update on the Sacramento Office space. Kronick has secured office space for the Authority at the new office building located on Garden Highway and has offered the

Authority a sublease similar to what is in place now. The Authority is looking at moving with Kronick in January 2021. Barajas reported that the commercial real estate market downtown is likely to be more favorable next year, and other office space options will be looked at a later date.

- b) **B.F. Sisk Dam Raise Project** – Barajas reported that consultants are working on the NEPA/CEQA documents and the feasibility report.
- c) **San Luis Transmission Project (SLTP)** – Barajas reported that the final RFP went out for consideration, and the deadline for potential private investors is November 16, 2020.
- d) **Pacheco Reservoir** – Director Jeff Cattaneo reported that progress is continuing on the environmental investigations and the project descriptions for the draft environmental document and is still on track for release in 2021.
- e) **Del Puerto Canyon Reservoir** – Director Chris White reported that both the lead agency and the responsible agency certified the EIR, and adopted the project on October 21, 2020.

## II. Agenda Item 13: Chief Operating Officer's Report.

Special Projects Administrator Frances Mizuno reported that the Board had approved the expenditure of \$50,000 for the Delta Channel Maintenance Planning effort. Mizuno reported that, in conjunction, the State Water Contractors contributed \$50,000, and both the South Delta and the Central Delta Water Agency contributed \$25,000 each for a total of \$150,000. Mizuno reported that with this \$150,000 an AdHoc group has been working on this project. Mizuno reported that an RFP was developed and went out. Mizuno reported that four proposals were received, and two consultants will be interviewed.

Mizuno reported that for the Yuba transfers that there is a slight reduction of water available reduced from 31222 af to 31016 af, and the Authority allocation is 50% of that. Mizuno reported that Yuba also making water available in November, and the amount has been increased to 16290 af., and the Authority's share is 50%.

Chief Operating Officer Pablo Arroyave provided a brief update on the Jones Pumping Plant Rewind Project, reporting that the rebuild phase of project on Unit 5 is still ongoing and the rewind is on schedule. Arroyave reported that the Authority did execute the Unit One Notice to Proceed, and have not yet taken action on the invoice, because the Authority has 30-days to make that payment.

Arroyave reported that the DHCCP refunding has been delayed one month.

12. **Agenda Item 14: Update on Water Operations and Forecasts**

Westlands Water District's Tom Boardman reported that Jones pumping declined throughout October as delta inflow dropped and DI641 requirements increased. CVP pumping is scheduled to drop to one unit soon and is not expected to increase unless storm runoff increases delta inflow. Banks pumping was also reported to be near minimum levels.

Boardman reported Shasta storage at below 2.1 MAF; a drop of about 100 TAF from month ago. Northern California received no precipitation during October, but near-term forecasts show some storms arriving by the first week of November. Reclamation's latest operations forecasts show Shasta nearly filling under median hydrology but refill to only 60% of capacity under dry conditions.

Boardman reported that CVP San Luis storage was 382 TAF and is currently gaining little storage due to low exports. Reservoir projection graphs were discussed which 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.

13. **Agenda Item 15: Committee Reports.**

- a. **Water Resources Committee** – Chair Tom Birmingham reported that the Water Resources Committee held a Special Workshop regarding Delta Conveyance on November 4, 2020.
- b. **Finance & Administration Committee** – Executive Director Federico Barajas reported that the O&M Committee's recommendation regarding O&M Budget Including the Extraordinary, CIP and Routine O&M Budgets for FY22 was presented to the Finance & Administration Committee on Monday, and it is now under review.
- c. **O&M Committee** – Committee Chair Chris White reported that the O&M Technical Committee meet on October 19, 2020, and recommended the Proposed O&M Budget Including the Extraordinary, CIP and Routine O&M Budgets for FY22 to the Finance & Administration Committee.

14. **Agenda Item 16: 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 provided a brief update on the San Joaquin Valley Water Blueprint Effort's new monthly Blog that is now being produced, and the first two have been published.

d. **Association of California Water Agencies**

Director Bill Diedrich reported that the Executive Committee has just finished the Executive Director review.

Director John Varela reported that the virtual fall conference will commence and the theme will be "Zooming Through California". Varela also reported that Region 5 will have repeat of its program about safe drinking water and the effected disadvantage communities.

e. **San Joaquin Valley Water Blueprint Effort**

No report.

15. **Agenda Item 17: Board Member Reports.**

No Board Member reports.

16. **Agenda Items 18-20: Closed Session Report.**

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:30 a.m. Upon return to open session at approximately 11:38 a.m., General Counsel Rebecca Akroyd stated that no reportable actions were taken.

17. **Agenda Item 21: Reports Pursuant to Government Code Section 54954.2 (a) (3)**

No reports.

18. **Agenda Item 22: Adjournment.**

The meeting was adjourned at approximately 11:39 a.m.





December 10, 2020

To: Pablo Arroyave, Chief Operating Officer

From: Bob Martin, Facilities O&M Director

Subject: O&M Report for November 2020

### **Operations Department**

The C.W. "Bill" Jones Pumping Plant (JPP) operated at one to two units during the month of November due to Delta outflow requirements with an average flow rate of 1,460 cfs.

Total pumping for the month of November at the JPP was 87,058 acre-feet. The O'Neill Pump/Generating Plant (OPP) pumped 24,430 acre-feet and generated 7,139 acre-feet. No water was conveyed through the Delta-Mendota Canal/California Aqueduct Intertie Plant (DCI) during the month.

The Federal share in San Luis Reservoir on November 30<sup>th</sup> was 380,164 acre-feet as compared to 250,820 acre-feet on November 30<sup>th</sup>, 2019.

Releases from Friant Dam ranged from 405 to 450 cfs and flows entering the Mendota Pool ranged from 122 to 162 cfs. Flows of 110 to 160 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 November.

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

- DCI Plant; Unit switchgear installation and Main Transformer leak repair
- JPP Unit 1; Annual Maintenance
- JPP Unwatering Sump; Sump inspection and pump rehabilitation

### **Civil Maintenance Department**

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

- Chemical and mechanical weed control
- Grading of DMC and Wasteway operating roads
- Remove spoil material stockpiled along O'Neill Forebay accretion ditch
- Install containment berm (donut) around leak at DMC milepost 20.17-L
- Clean silt out of various DMC turnouts
- Regraded the Tracy Civil Maintenance equipment yard
- Repair bracing on DMC farm bridge at milepost 94.27
- Repair headwall seam at Tracy Compound water treatment settling basin

- Modify/install walls of Tracy Sandblast & Paint building for new air compressor and dryer
- Erosion repair on Newman Wasteway
- 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 and Wasteways

### **Plant Maintenance Department**

#### **Electrical/C&I Staff:**

- DCI louver and fan repairs
- DCI future unit switchgear installation
- Electrical connections to new compressor and air dryer in Tracy Sandblast and Paint building
- Replace DMC Check 7, gate #2 position encoder
- Tracy 13.8kV switchgear protective relay updates and testing
- Troubleshoot and repair DMC Check 21 and Mendota Pool meter level sensors
- Replace OPP Unit 2 run-out probe
- Replace OPP Unit 6 flow meter power supply
- JPP Unit 1 annual maintenance
- Assist SCADA Department with OPP SCADA node upgrade
- Hazardous waste training (OPP crew)

#### **Mechanical Staff:**

- JPP Unit 1 annual maintenance
- Inspect JPP Unit 5 exciter armature machining at Unico machine shop in Benicia, CA
- Change oil in DCI Main Units' guide bearings
- DCI louver and fan maintenance and repairs
- Provide crane support to NEC for JPP Unit 5 rewind
- Replace pilot valve for JPP Unit 3 discharge valve
- Prep JPP break room ceiling for painting
- Installation of new air compressor and dryer for the Tracy Sandblast & Paint building

### **USBR Support Services**

Water Authority crews performed the following work at USBR facilities for the month of November:

- Replace TFCF #2 Bypass channel motor operated valve
- Repairs to TFCF Debris Arm control valve block

### **Engineering Department**

The Engineering staff worked on the following projects during the month of November:

- JPP Unit 5 rewind project
- JPP trash rack clip failure analysis
- JPP flow control for the newly installed plant evaporative cooling unit
- JPP switchgear buildings relay settings update
- OPP hot oil reconditioning (follow up oil testing)
- OPP fall protection and confined space improvements
- TFCF louver inspection and report
- TFCF unwatering pump

## **Work & Asset Management Department**

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

### **EAM/Financial Software Replacement Project**

- Staff is training on role and form customizations, reviewing process workflows, and started User Acceptance Testing in NetSuite. The team continues to be engaged and focused on the project.
- Staff walked through configuration and training sessions with Shepherd as well as working through staff created test cases and configurations.
- Clean-up of Oracle WAM data in preparation of data migration to NetSuite/Shepherd CMMS continues.

### **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 (IT) 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
      - AT&T still does not have SDWAN functioning
  - Phase 4
    - Go live of phase date to be determined
  - Phase 5
    - Port phone call paths to routers in phase 1
  - Two weekly status update calls with AT&T's different team members
  - AT&T and Velo sent Techs to Sacramento and Los Banos and determined both sites were not live at the 25<sup>th</sup> floor MPOE and Mezzanine MPOE
- 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
- Assist with FAC, WRC, DHCCP Steering and BOD meetings with Zoom
- Desktop support calls
- Email server upgrade preparations
- Opened dialogue with KMTG IT staff to coordinate Sacramento Office move
- Quotes for Laptop for new employee starting Nov 30<sup>th</sup> (John Brodie)
  - Received, started prep for deployment

- 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**

### JPP Unit No. 1 Rewind

Status: The Notice to Proceed was sent to National Electric Coil (NEC) and the initial 40% payment has been made to begin work on the Unit 1 rewind. The agreement with DHR Hydro Services was executed to perform the project management of the NEC contract.

### JPP/OPP/DCI Fire Protection Systems Assessment

Status: Water Authority advertised a formal Request for Proposal 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. Proposals are due December 4 and contract award is expected by the end of December.

## **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. 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: A summary of the successfully completed oil processing was provided to Reclamation, and continued testing is being performed. The results of the oil analysis indicate that the transformers remain eligible for refurbishment. Performed a partial survey of the spare transformer's top cover for corrosion. TSC continues to work on the specifications for the rehabilitation, and SLDMWA staff continues to provide any required support.

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

Status: No activity this month. 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. Engineering review of the water treatment plant data has begun. A topographic drawing was prepared to address the flooding issue of the existing treatment building and will include underground utility coordination.

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## MEMORANDUM

TO: SLDMWA Water Resources Committee Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: December 7, 2020

RE: Update on Water Policy/Resources Activities

### BACKGROUND

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

### POLICY ITEMS

#### Reclamation Directives and Standards

##### Documents out for Comment

There are currently no draft documents out for review, however, staff is aware that Reclamation is anticipating release of a revised draft Directive and Standard for "Excess Capacity". Staff will be reviewing and coordinating with member agencies upon release of this document, as it's anticipated that turnaround time for comments may be truncated.

#### State Water Resources Control Board (State Water Board) Activity

##### Documents out for Comment

##### *Hexavalent Chromium Maximum Contaminant Level Estimates of Costs*

The State Water Resources Control Board (State Water Board) will hold a public workshop to receive information and solicit public input regarding estimates of costs associated with a range of potential hexavalent chromium maximum contaminant levels (MCL) and treatment technologies, in advance of a proposed regulation anticipated to be released in early 2021.

The formal procedure for adopting regulations under the Administrative Procedure Act has not yet begun, and these workshops are not part of that process. However, input provided on the analysis of the costs may be used to inform the development of the regulation. In order for those comments to be considered during the development of the formal regulations package,

written comments, regardless of the method of transmittal, must be received by the Clerk by **12:00 p.m. noon, December 31, 2020.**

#### BACKGROUND

California Health and Safety Code Section 116365(a) requires the State Water Board to establish an MCL at a level as close to the public health goal (PHG) as is technologically and economically feasible. The PHG is the concentration of a contaminant in drinking water that does not pose a significant risk to health. Hexavalent chromium has been detected in numerous drinking water sources in California. In 2011, the Office of Environmental Health Hazard Assessments (OEHHA) established a hexavalent chromium PHG of 0.02 parts per billion (ppb) based on cancer risk. In 2014, the California Department of Public Health established an MCL of 10 ppb (0.010 mg/l) for hexavalent chromium. In 2017, the Superior Court of California, Sacramento County, invalidated that MCL and directed the State Water Board to withdraw the current MCL and establish a new MCL. As part of the development of the MCL, State Water Board staff have developed preliminary estimates of the following that will be presented at the workshop:

1. The number of public water system sources that would be impacted at various potential MCL values. This is based on the current hexavalent chromium occurrence data for drinking water sources of public water systems.
2. Information on the costs of various treatment technologies to lower the levels of hexavalent chromium in the water delivered to the public.
3. Information on the anticipated overall costs for public water systems impacted by various potential MCL values. This includes both the capital and operational costs estimated across various sizes of water systems.

The release of preliminary information on hexavalent chromium occurrence and costs of treatment at potential MCLs in advance of the formal rulemaking process will allow for additional public input prior to the development of the proposed regulation.

#### *DRAFT AMENDED PROPOSITION 1 GROUNDWATER GRANT PROGRAM GUIDELINES*

The State Water Resources Control Board (State Water Board) will accept public comments on the Draft Amended Proposition 1 Groundwater Grant Program (GWGP) Funding Guidelines (Amended Guidelines), dated December 2020. It is anticipated that the State Water Board will consider adopting the Amended Guidelines as early as the Tuesday, February 2, 2021 State Water Board Meeting.

The State Water Board will accept written comments on the December 2020 Draft Amended Guidelines. To submit written comments, please use the subject line: "Comment Letter – Proposition 1 Groundwater Grant Program Guidelines". Written comments should be submitted as early as possible to ensure thorough staff analysis, and must be received by **12:00 noon on Monday, January 4, 2021.**



#### BACKGROUND

Proposition 1 authorizes \$720 million to the State Water Board to provide competitive grants for projects that prevent or clean up contamination of groundwater that serves or has served as a source of drinking water (California Water Code § 79771). The Proposition 1 GWGP Funding Guidelines, which were initially adopted by the State Water Board on May 18, 2016, and amended on December 19, 2017, outline the process to solicit applications, criteria to evaluate and select eligible proposals, and requirements that apply to funded projects. Division of Financial Assistance (DFA) staff have proposed amendments to clarify eligibility requirements and funding maximums for drinking water treatment and wastewater projects that benefit disadvantaged communities (DACs), and to broaden the types of wastewater projects that can qualify. These changes are intended to maximize utilization of existing DAC set-aside funds for beneficial projects.

#### DOCUMENT AVAILABILITY

The December 2020 Draft Amended Guidelines are available for review online at:  
[https://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/proposition1/groundwater\\_sustainability.html](https://www.waterboards.ca.gov/water_issues/programs/grants_loans/proposition1/groundwater_sustainability.html)

#### Bay Delta Water Quality Control Plan Update

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

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

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<sup>1</sup> Available at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf>.

**Phase 1 Status:** The State Water Board adopted a resolution<sup>2</sup> to adopt amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary and adopt the Final Substitute Environmental Document during its December 12, 2018 public meeting.

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

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

On March 1, 2019, the California Department of Water Resources and the Department of Fish and Wildlife submitted documents<sup>3</sup> to the State Water Board that reflect progress since December to flesh-out the previously submitted framework to improve conditions for fish through targeted river flows and a suite of habitat-enhancing projects including floodplain inundation and physical improvement of spawning and rearing areas.

Since the March 1 submittal, significant work has taken place to develop the package into a form that is able to be analyzed by State Water Board staff for legal and technical adequacy. On June 30, 2019, a status update with additional details was submitted to the Board for review. Additionally, on February 4, 2020, the State team released a framework for the Voluntary Agreements to reach "adequacy", as defined by the State team.

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

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<sup>2</sup>Available at

[https://www.waterboards.ca.gov/board\\_decisions/adopted\\_orders/resolutions/2018/rs2018\\_0059.pdf](https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2018/rs2018_0059.pdf).

<sup>3</sup> Available at [http://resources.ca.gov/docs/voluntary-agreements/2019/Complete\\_March\\_1\\_VA\\_Submission\\_to\\_SWRCB.pdf](http://resources.ca.gov/docs/voluntary-agreements/2019/Complete_March_1_VA_Submission_to_SWRCB.pdf)

## Delta Conveyance

### U.S. Army Corps of Engineers Issues Notice of Intent

The U.S. Army Corps of Engineers (USACE) issued a Notice of Intent (NOI) for the development of an Environmental Impact Statement for the Delta Conveyance Project. Publication of the NOI initiates the environmental review process under the National Environmental Policy Act (NEPA). The NOI also signals the start of the federal scoping period, providing an opportunity for public and agency comment on the scope and content of the NEPA review. Information related to the NEPA scoping period, including details on how to comment, can be found on the USACE website.

### Preliminary Cost Assessment Prepared

The Delta Conveyance Design and Construction Authority has prepared a preliminary cost assessment for the Delta Conveyance Project. Cost information developed at this early stage provides a starting point to understand the program's probable costs based on industry standard methodologies. While planning and design of the program are in the very early stages, this information is intended to aid the beneficiary public water agencies who are ultimately responsible for funding the planning, environmental review, permitting and, if approved, design and construction of a proposed Delta conveyance facility. This information will be refined over time as planning and environmental review proceed and more precise design and engineering become available. Find the presentation material here and the meeting video archive will be located here when available.

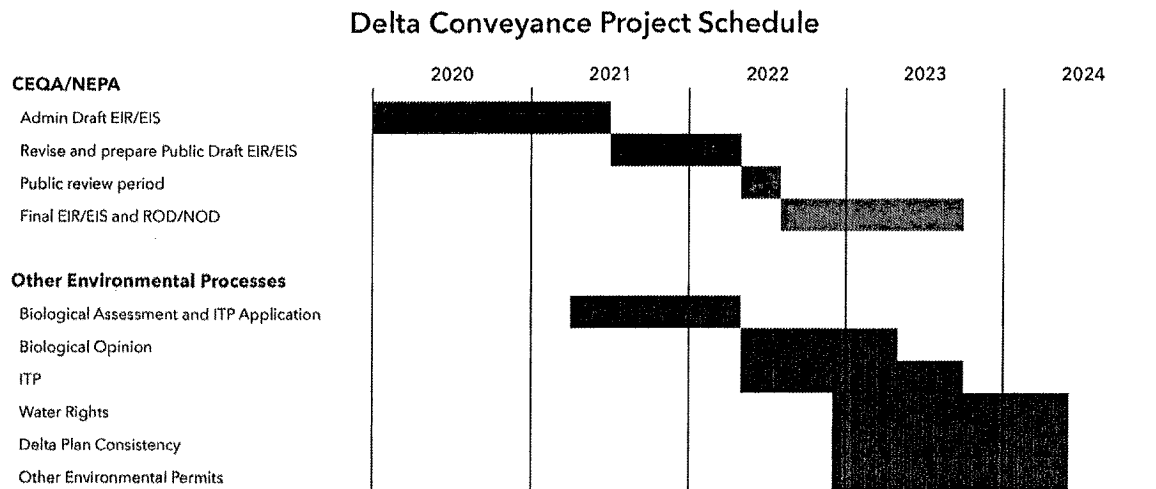
This cost assessment is related to the proposed project as it was identified in the Notice of Preparation and is not an indication of any type of project approval by the Department of Water Resources (DWR). DWR has made no decisions as to the selection of a specific alternative as the program planning and design are still in the "Initial Conceptual Design Phase" and alternatives are still being studied. A final decision regarding whether to approve the proposed Delta Conveyance Project or an alternative, including the no project alternative, will not occur until after completion of the environmental review under the California Environmental Quality Act and NEPA, and other environmental permitting processes have been completed.

### Updated Schedule Now Available

An updated program schedule is available on the Delta Conveyance Project website<sup>4</sup>. The schedule has been modified to align the state and federal environmental review processes, as well as to accommodate additional time needed for modeling. DWR expects permitting to be complete in mid-2024.

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<sup>4</sup> [https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/DC\\_Schedule\\_August2020\\_508.pdf?la=en&hash=9069D624DB200C0BC9C8B57BAA51DB7FC3CCB19B](https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/DC_Schedule_August2020_508.pdf?la=en&hash=9069D624DB200C0BC9C8B57BAA51DB7FC3CCB19B)



### Water Blueprint for the San Joaquin Valley

#### Technical Update

The Blueprint continues to engage with the sub-basins through the GSAs and others to discuss the Blueprint. To this end, Scott Hamilton presented to the Arvin Community Services District on November 11th.

#### San Joaquin Valley Water Collaborative

The SJV Water Collaborative continues to engage a diverse set of interest groups, gaining their participation in SJV water discussions. Members engaged in outreach to Karla Nameth (Director, Department of Water Resources) regarding the SJVWC.

Additionally, several important action items have been agreed to:

1. Planning Group (Planning Group): The plenary/large group (60 participants) created a smaller Planning Group made up of 15 participants. The Planning Group includes representatives from the five interest groups participating in the plenary session: safe drinking water and disadvantaged communities (DACs), agriculture, local government, environmental NGOs, and water agencies. The Planning group will focus on several action items:
  - a. Problem Statement: The problem statement will recognize the legitimacy of other group's problems and all commit to identifying solutions to these problems that are acceptable to the collaborative.
  - b. Vision Statement/Solution Set: A vision statement is being drafted to identify a solution set that secures broad support.
  - c. Facilitator: The planning group has started the process for selecting a long-term facilitator.
2. Secure Funding: The plenary group is looking to secure funding for the success of the effort.

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#### Stakeholder Outreach

A presentation surrounding the Blueprint was provided to Stephanie Reyna-Hiestand, from the City of Tracy. An update was also provided to the Office of Senator Anna Caballero.

#### Communications Update

Tim Quinn has entered a submission for the "Blueprint Blog" post – please stay tuned for an upcoming post. Please take a look at the other blog posts <https://www.waterblueprintca.com/ca-blog>

The group has also created a document with talking points surrounding the Blueprint for participants to use when engaging community members about the Blueprint. If you're interested in receiving a copy of the Blueprint Backgrounder, please contact Lydia at [lydia@vistaconsultinginc.com](mailto:lydia@vistaconsultinginc.com).

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## STAFF MEMORANDUM

TO: Board Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: December 10, 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

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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

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	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

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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.

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