



**REGULAR MEETING OF THE BOARD OF DIRECTORS
DECEMBER 19, 2018
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea shared with the Board that District's Accounting Specialist, Jaclyn Hoobler and her husband were expecting their first child.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the agenda.

4. MINUTES FROM THE BOARD MEETING OF 11/21/18, MONTHLY ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT FOR THE MONTH OF NOVEMBER 2018

The Minutes from the Board Meeting of 11/21/18, the Monthly Accounting Reports as of 11/30/18, and the Monthly Field Operations Report for the month of November 2018 were provided in advance for the Board's review. The Board approved the Consent Calendar as follows:

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

5. MANGERS REPORT

A. Federal Legislation – Update

Anthea reported that the Department of the Interior and Department of Commerce had signed and MOA to expedite the reliable delivery and supply of water to the West. She also reported on Senator Diane Feinstein's efforts on an extension to the WIIN Act as well as discussed some of the controversy surrounding a potential WIIN Act extension.

B. State Legislation – Update

There was nothing to report on this item.

C. SWRCB Fee Litigation – Update

Anthea shared that the parties legally protesting the SWRCB's Water Rights fee, had decided not to pursue further litigation on either old or new cases.

D. CA Water Fix – Update

Anthea reported that the Delta Stewardship Council had held a workshop in November to discuss their Staff Draft Determination Regarding Appeals of the Certification of Consistency for the CA Water Fix Project and subsequent to that workshop, DWR decided to withdraw the Certification of Consistency for WaterFix that was filed on July 27, 2018 and requested that Council dismiss all appeals of the WaterFix certification of consistency. She added that the SWRCB had not yet ruled on the Bureau's and DWR's Change Petition to add points of diversion for the proposed tunnels. Anthea also shared that newly elected Governor Newsom had been silent on his support for this project. She further reported that on the State side there were several Contractors that continued to protest the mandatory participation on this project.

E. State & Federal Contractors Water Authority – Update

Anthea reported that SFCWA continued to work towards a "wind-down" off the agency, and noted a meeting scheduled for December 20, 2018.

F. SWRCB WQCP Activities – Update

Anthea reported on the SWRCB's adoption of the Bay-Delta Plan Update for the lower San Joaquin River and Southern Delta, and noted that Phase II of the WQCP would be the same process for the Sacramento River Basin where the Staff proposal is expected to be 55% to 65% of unimpaired flows.

G. USBR Re-Initiation of Consultation on the Long-Term Operations of the CVP & SWP – Update

Anthea provided a copy of an MOA for the implementation of the 2008-09 Biological Opinions for the Long-Term Operation of the CVP & SWP by and between the DWR and USBR, and discussed the importance of this effort to project operations.

H. USBR/DWR Coordinated Operations Agreement - Update

Anthea provided and discussed the 1986 COA Agreement with the Board and explained that obligations were split with 75% going to the Federal side and 25% to the State side as well as the ability for the Federal side to pump more water south from the San Luis Reservoir in times of excess conditions. This Agreement was intended to be re-visited every five years, which was never done. Recently, the Bureau worked with DWR to review the Agreement again but the parties never came to an agreement, therefore allowing the Bureau to enforce Article 14 of the Agreement which states arbitration within 1 year. Positively, as part of the broader set of agreements and issues being worked on between the USBR and DWR, an Amended COA was agreed upon in December 2018 which should result in improved water supplies for the CVP.

Note: Board Member Pete Lucich arrived at 8:42 a.m.

6. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided the December Project Operations Update and reported that pumping was at 3 units with San Luis at 65% full (76% on the State side and 54% on the Federal side). Under 90% exceedance hydrology, San Luis Reservoir is not expected to fill and under 50% exceedance hydrology reports indicate a re-fill by March. SLDMA's Tom Boardman predicted an Ag Allocation of 15% to 45% under normal hydrology and that as allocations could exceed 50% if the San Joaquin basin hydrology is above average by late spring.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 11/30/18

Adam reported use for the month of November at 1,859 AF, with an additional 347 AF of OCRRP use. A total of 95,349 AF was projected to be available for the current water year with an estimated 17,639 AF for rescheduling into 2019-2020.

C. 2018 Rescheduling – Update

Anthea noted that the Bureau had yet to release 2018 rescheduling guidelines, however they had indicated there would either be a 10% cap on rescheduled supplies or District's fair share of 150 TAF. She believed they would pursue the 10% cap. She provided a letter she sent to the CVP offering observations, comments and suggestions regarding their proposed rescheduling methodologies.

D. Shiraz Ranch Ca Aqueduct Turnout Project - Update

Anthea shared that District continued to support efforts by Shiraz Ranch to install a turnout on the California Aqueduct and that the District would rather be filing a Notice of Exemption with the County on the project, as required.

E. Remote Telemetry Project - Update

Adam reported that an extension request for the District's Grant Award was filed last month and that he had just received confirmation of its receipt.

7. DRAINAGE ACTIVITIES

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

Adam provided the SJVDA Agenda to its December 4th meeting, where the main discussion was an increase to the per acre assessment fee for 2019-20. Staff shared outreach materials prepared by the ESJWQC regarding Drinking Water Wells and newly approved requirements for how they need to be

monitored for nitrates. Staff also reported on efforts to add and/or remove parcels from the Coalition based on current practices.

1. 2019-20 Covered Acreage Update (Additions & Deletions)

Copies of letters pertaining to landowners with land recently enrolled due to new farming or removed due to non-farming for 3 or more years were provided in the packet.

8. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

A SGMA Report for November and news on grant applications (Prop 1) were provided for the Board to review. Adam shared a copy of a Stakeholder Survey that will be sent out in an effort to gather a better understanding how well stakeholders are informed on SGMA. He believed it would be more beneficial and get better response to personally hand out the surveys versus mailing them.

1. DM-II Outreach Meeting Planning – January 9, 2019

Anthea provided a copy of a letter sent out to Merced County Landowners and Operators informing them of the first informational meeting taking place in Newman in January 2019. Stanislaus County and San Joaquin County meetings will follow soon after.

9. FINANCIAL MATTERS

A. 2018 ADLP Loan Payment Collection Report

Anthea reported that all ADLP Payments had been collected to date and District was ready to make the January payment to the State.

B. 2019-20 Budget Preparation Discussion

Anthea shared that Budget Templates were in the drafting process. She indicated scheduling a Budget Committee Meeting in the January BOD Meeting.

C. Treasurer's Quarterly Report for the 3rd Quarter Ending 11.30.18

Anthea provided and reviewed the Treasurer's Quarterly Report for the 3rd Quarter Ending 11/30/18 with the Board and was approved as follows:

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

D. Balance Sheet Analysis Report for the 3rd Quarter Ending 11.30.18

Anthea provided and reviewed the Balance Sheet Analysis as of 11/30/18 with the Board.

E. USBR Financial Issues Update

Anthea provided Reclamation's Statement of Fiscal Year 2017 Contractor Outstanding Obligations Report as of 9/30/17 and reported that \$22,254,497.89 was the District's total for un-paid Construction as of 9/30/17 (Allocated Construction plus Allocated DMC Intertie Repayment).

10. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea provided the September and October Progress Report for the Board to review and reported that the pipeline for the Turlock component was in the process of being installed and all de-watering pumps were installed.

1. CVPIA Grant Program (Prop 1) Award - \$26,695,480

Anthea shared that the Grant Agreement providing the District \$26,695,480 for the NVRRWP was ready for execution. The grant funding would be used for the purchase and conveyance of NVRRWP supplies for the Refuge Water Supply Program. After review and discussion, the Board approved the execution of the CVPIA Grant Program Funding Agreement as follows:

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

2. NVRRWP Mitigation – Tuolumne River Conservancy Bobcat Flat Restoration Project Terms

Anthea reported that one of the commitments written in the final Environmental Document was to provide mitigation for fisheries' impacts on the tributaries. She shared that Woodard & Curran found a project that fulfilled that commitment and reported on the Bobcat Flat Restoration Project. She also provided and reviewed a Draft Agreement which outlined the terms and conditions. A final agreement will be provided at the January 2019 BOD Meeting. After review and discussion, the Board approved Terms for the NVRRWP Mitigation for \$100,000 to the Tuolumne River Conservancy Bobcat Flat Restoration Project Terms as follows:

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

B. Orestimba Creek Recharge & Recovery Project – Update

Adam reviewed bids submitted by 3 drilling companies, and reported that CCID had chosen Myers Bros. Well Drilling Inc., to install the OCRRP recovery well. He reported that the well will be located near the southeast corner of the north pond. Anthea added that overall, the project remained within budget and that Staff was hoping to provide an update from the Consultants by February 2019.

C. Del Puerto Canyon Reservoir Project – Update

1. Program Manager RFP Final Draft

Anthea reported that as instructed in last month's BOD Meeting, the Program Manager RFP Final Draft would be distributed by the end of the day, as she was awaiting PID's approval at their Board Meeting to participate before it was distributed. Four different consulting teams are to be contacted for submittals of bids and the deadline for bids would be January 25, 2019. Once submittals are reviewed with all partners, a special meeting will be held for a final decision on participation from each District. She hoped that by the end of February 2019 the Board would be approving the award of a contract for a Program Manager to get the District and its partners through the environmental studies and scope of work.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reminded the Board that they had already approved and expended \$100,000 for this fiscal year and approved but not yet expended an additional \$100,000 for the next fiscal year for the District to participate in the final Environmental Studies for the expansion of Los Vaqueros, and that the next phase in getting the studies completed required would require District to add another \$100,000. She explained that there was a possibility of completing the effort through the SLDMWA, which would cost less but possibly result in benefits.

1. Cost Share Agreement for (Continued) LVRE Project Planning

Anthea provided for the Board the Contra Costa Water District Cost Share Agreement for Los Vaqueros Reservoir Expansion Project for review. After review and discussion, the Board guided Staff to pursue the project with the Water Authority if an Activity Agreement with suitable withdrawal provisions is available or if not, to remain as an individual participating agency:

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

E. Temperance Flat Reservoir Project – Update

Anthea reported that Adam would be attending a meeting on Friday to receive results of the gaming exercise.

11. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort – Update

Anthea shared that the Bureau had postponed negotiations with contractors on conversion of the contract until March 2019. They believe they should have the approval by then from the Secretary of the Interior to include the four large contractors in the negotiations.

B. District Local Hazard Mitigation Plan – Update

A Draft District Local Hazard Mitigation Plan was provided for the Board to review. It was also mailed out to neighboring agencies and public notices were placed in local papers of each county within the District's jurisdiction. Public comments will be received at the District's February BOD Meeting.

C. Westside San Joaquin IRWM Region – Update

Anthea reported on the IWRM process and noted that the plan was in review and that because the District had submitted projects for funding consideration, the DPWD Board would need to approve the IWRMP when finalized.

D. Cannabis Policy Discussion

Anthea provided a letter sent to the Stanislaus County Planning & Community Development Department providing comments on Application No. PLN 2018-00114 for a cannabis growing operation. She also provided the Board with PEC-TRMR63, Reclamation's policy on the use of Reclamation Facilities for Activities Prohibited by the Controlled Substances Act of 1970.

12. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea shared that the SLDMWA had hired Federico Barajas to fill the Executive Director position and that he had come to the District to meet with Anthea, Gene and Earl the week prior. She also provided the Minutes for the November 8th meeting and the November O&M Report.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

The Family Farm Alliances Monthly Report and a Notice from Westlands Water District announcing a Public Scoping Meeting for the Shasta Dam Raise were provided in the packet.

14. CLOSED SESSION

There was no closed session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 12:30 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS
NOVEMBER 21, 2018
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the agenda.

4. MINUTES FROM THE SPECIAL BOARD MEETING OF 10/24/18, MONTHLY ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT FOR THE MONTH OF OCTOBER 2018

The Minutes from the Special Board Meeting of 10/24/18, the Monthly Accounting Reports as of 10/31/18, and the Monthly Field Operations Report for the month of October 2018 were provided in advance for the Board's review. The Board approved the Consent Calendar as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that pumping had been reduced to two pumps as there was not enough outflow to meet water quality standards. She provided the November Project Operations Update that reported on reservoir levels for each of the major reservoirs. She reported that demand had been up for growers South of the Delta due to dry conditions and also due to possible use of water, rather than losing it to rescheduling limits. Although the SLDMWA gave some predictions in allocation for the coming year, Anthea believed it was too early to determine those predictions of 25-45% for normal hydrology. Also provided were the Exceedance Graphs showing a 90% and 50% Exceedance Hydrology. Neither showed the State side filling. San Luis Reservoir was currently 60% full, and projected to refill by early February only under the 50% exceedance conditions.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 10/31/18

Adam reported use for the month of October at 2,887 AF, with an additional 196 AF of OCRRP use and 10,850 AF transferred out of the District. A total of 95,134 AF was projected to be available for the current water year with an estimated 18,430 AF for rescheduling into 2019-2020.

C. 2018 Rescheduling – Update

Anthea shared that rescheduling guidelines would likely be available by early December, but predicted the 150,000 cap would stand. If that was the case, the District's share would likely be 11,000 AF to 12,000 AF of the total. The contracts advocating for a 10% of contract total as it would bring the amount up slightly, with the District's being 14,210 AF. She added that she had drafted a letter to CVO commending them for their recommendations in July and the out of the box thinking, but requested that in addition to the 10%, contractors should be allowed up to a 30% of contract allotment carryover as a way to reward those contractors that take a risk and purchase expensive water during the water year which gets used in lieu of contract supply.

D. 2018 Winter Maintenance Schedule – Project List

Adam provided a list of new meter installations to be accomplished this winter and reported that regular maintenance was also being performed. The new meter sites are being employed due to changes in the irrigations system or meter location by the Landowner, and will improve the District's ability to accurately monitor water use.

E. Remote Telemetry Project - Update

Adam provided the WaterSMART Grant Request for Time Extension for the Board's review. He mentioned that the extension was being requested to facilitate any changes that needed to be made to the system design and environmental documentation supporting the project. It was mentioned in last month's meeting that the original design did not have the office tower in a line-of sight location that would allow a radio connection to the two turnouts identified in the grant application, thus the two turnouts selected will need a cellular connection until a full backbone network can be established.

Note: Board Member Lucich arrived at 8:48 a.m.

6. DRAINAGE ACTIVITIES

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

Adam shared that the SJVDA has received several grants for their tasks and gave an overview of the work involved in each one: A grant for CEQA Compliance and Administration in the amount of \$85,000 with a \$0 match, a grant for Monitoring Station Upgrades in the amount of \$203,905 and a match amount of \$80,000, and lastly a grant for Improvements to WAMF-Online Forecasting and Decision Support Model in the amount of \$566,095 with a match amount of \$320,000. Also provided was a flyer with dates and locations for the Annual Meeting of the Westside San Joaquin River Watershed Coalition to Review Requirements under the Irrigated Lands Regulatory Program.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Adam reported that the Technical Committee Meetings had been focusing on finalizing historic and current Water Budgets for inclusion in the Draft GSP(s). He shared that the Northern-Central Group in which the District belongs to, would be using a model called CVHM2 which would be the source for surface water flows, groundwater flows between member agencies, land surface elevations, soil types and hydraulic properties, Corcoran clay elevation, thickness and hydraulic properties and aquifer properties. He also provided and reviewed the NCDM GSP Historical and Current Budgets, a copy of the Water Budget Workshop Power Point Presentation, and the SLDMWA SGMA Report for October 2018. Anthea reviewed the SGMA Support Services Scope of Work and Fee Agreement executed with W-C to support the District's internal SGMA Outreach Activities, which will begin soon.

8. FINANCIAL MATTERS

A. 2018 ADLP Loan Payment Collection Report

Anthea presented the ADLP Activity Report prepared by Jaclyn and shared that all but two payments had been received. The total payments to be collected for 2018 was to be \$153,064.15 with \$133,020.73 of that collected. She provided and reviewed the ADLP Loan Repayment Funding Analysis with the Board and indicated the last payment for the loan would be made in January 2021. She also mentioned efforts to obtain a similar loan were underway.

B. 2019-20 Budget Preparation Discussion

Anthea shared that budget preparation was underway. She mentioned to the Board that this was a good time to get feedback or suggestions from them regarding the budget. A meeting of the Budget Committee to work on a Draft Budget to present to the Board would likely be held. She also shared that water rates for the coming year would be similar to 2018-19.

C. USBR Financial Issues Update

Anthea reported that the Final Cost Allocation Information had yet to be released by Reclamation.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that the NVRRWP was selected for an Engineering Excellence Award from the American Council of Engineering Companies. She also provided and reviewed the Turlock component's Weekly Construction Updates from West Yost Associates and shared pictures of the project's advancement. A tour of the pipe fabrication plant was performed the week prior and hopefully another would be held in January. She asked that if any of the Board Members were interested, she would arrange for them to attend.

1. USBR Title XVI Grant Award Contract Agreement

Anthea reported receiving the BOR Assistance Agreement Contract that would administer and allow District to access the \$4.3 million dollar Title XVI Grant that was awarded by Congress last year for the NVRRWP. She explained that this grant represented about 10% of the Turlock Component. After review and discussion, the Board approved execution of the USBR Title XVI Grant Award Contract Agreement as follows:

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

B. Orestimba Creek Recharge & Recovery Project – Update

Adam provided and reviewed a graph showing the Depth to Groundwater and Accumulated Recharge for the 20-acre project. He reported that the ponds had been off for two weeks in late October and early November to perform a groundwater study, during which seepage and collection is determined what the response is from the shallow and deep wells. Overall he shared the project was functioning better than expected. Anthea suggested a future presentation from Rick Iger on the overall pilot findings would be beneficial for the Board and Adam indicated February would be an ideal time for such. Anthea also provided, reviewed and discussed with the Board a tracking sheet that tracks every invoice that the Exchange Contractors and Del Puerto are paying to promote the 20 acre Pilot Project. Also discussed was a Request for a Time Extension to the 20 acre project due to the delay of the well design and purchase of land for the well.

C. Del Puerto Canyon Reservoir Project – Update

Anthea referred to a Draft Scope of Work and Solicitation reviewed during the October BOD meeting. She shared that the information from those drafts served as a request for proposals to go out to vendors/consultants to be the Program Manager for DPWD and its potential partners to oversee and assist with the steps needed to get to an approved project. She added that the request for funding submitted under the WIIN Act to sponsor a portion of the costs could potentially be awarded soon. She shared that she would like to put the proposal out for bid as soon as possible with the understanding that no project would be awarded without the Board's final review of costs, partner commitments, or potential grant funds offsets. Staff requested guidance on proceeding and the Board suggested to move forward.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea recapped the District's participation and involvement in the Los Vaqueros Reservoir Expansion Project. She explained that Los Vaqueros now had a Draft MOU for the next phase of the work and a cost estimate of \$2.8 million, with District's share being \$200,000 if continued participation was agreed upon. She shared that a decision did not need to be made at the moment and would provide more information at December's Board of Directors Meeting.

E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update

There was nothing to report on this item.

10. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort – Update

Anthea shared that the District was still awaiting guidance from the Bureau to move forward with the 9D Contract Conversion effort to convert its contract to a permanent contract under the WIIN Act. They indicated that they had received their delegation of authority to negotiate most of the contracts, except for

four contractors that fell under the greater than \$50 million construction obligation and/or 100 TAF contract, which included the District. That delegation had to come from the Secretary of the Interior, and therefore the USBR would be submitting the request to the Secretary. She had not heard any news since October.

B. District Local Hazard Mitigation Plan – Update

Anthea reported that a draft of the District Local Hazard Mitigation Plan had recently been received and that Staff was working with Provost & Pritchard to assist with any information needed to complete the effort.

C. Westside San Joaquin IRWM Region – Update

Anthea provided the SLDMWA's IRWM Report for the month of October and shared that she had recently attended a Projects Meeting, the outcome of which indicated two or three of DPWD's projects would be considered for implementation grant funding, of the four being considered. She reported that a complete draft of the updated IWRM Plan was available for public review. Once approved by the Authority, it would be brought to the District's Board of Directors for their approval as well.

D. Clean Water State Revolving Fund Loan Application 2018 – Update

This item was covered with Item 8.A.

E. Cannabis Policy Discussion

Anthea shared that the District had received an Early Consultation Referral from Stanislaus County, regarding the proposed development of a cannabis cultivation operation. A copy of the referral and map were provided for the Board to review. She indicated that the District currently did not have an official Cannabis Policy but wanted guidance from the Board on whether to approach District Counsel and develop one to have available for review at the next Board Meeting. With the Board's guidance, Anthea indicated she would share the District's concerns with the County and would approach Counsel about possibly drafting a Cannabis Policy.

F. Land Conversion Policy Discussion – Solar Farms

Anthea provided previously adopted DPWD Guidelines Concerning Anticipated District Action Regarding Conversion of Agricultural Lands to Municipal and/or Industrial Purposes to the Board for review. She shared that there had been an increase in activity/requests for solar farm development and that, although minimal, construction water and panel cleaning water would be required from some source for the developments to proceed.

G. 2019-20 NVRWP Administrative Guidelines

Anthea presented proposed Administrative Procedures for Allocation 2019-20 NVRWP Supplies and requested guidance from the Board and also for a 2019-20 NVRWP Turnback Option. After review and discussion, the Board opted to continue to implement the allocation and rates as done in the current year, and to offer the Turnback option as proposed.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The SLDMWA BOD Meeting Minutes for October were provided for the Board to review. Anthea reported that SLDMWA has hired an Executive Director. Federico Barajas had been a Deputy Regional Director at the Mid-Pacific Region of USBR for many years and believed to be highly qualified. She also reported that she was looking forward to meeting with Reclamation at the ACWA Conference and Authority Staff to discuss an effort to include a dam raise in the planning that includes the Safety of Dams fixes at San Luis Reservoir.

B. SLDMWA Strategic Planning Update

There was nothing to report on this item.

12. MANAGERS REPORT

A. Federal Legislation – Update

There was nothing to report on this item.

B. State Legislation – Update

There was nothing to report on this item.

C. SWRCB Fee Litigation – Update

Anthea provided a copy of the yearly SWRCB Water Rights Fee billing that have previously been paid under protest by District. She reported that the Supreme Court recently ruled against having the case reviewed again and upon speaking with Counsel, guidance was received to hold off on the payment until after the plaintiff meets in November 27th.

D. CA Water Fix – Update

Anthea reported that last week at the Delta Stewardship Council's meeting, Chairman Randy Fiorini had advised DWR to withdraw their request for consistency because his staff's recommendation was that they will deem the project inconsistent.

E. State & Federal Contractors Water Authority – Update

There was nothing to report on this item.

F. SWRCB WQCP Activities - Update

Anthea reported that the SWRCB was currently considering updates to its 2016 WQCP for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary.

G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

Anthea shared a Memo from SLDMWA that reported on Reclamation's efforts to continue to work on the ROC on LTO and the adjusted timeline for the ROC on LTO to include final biological assessments by January 31, 2019.

H. USBR/DWR Coordinated Operations Agreement – Update

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea reported that BOR had named Michael Ryan as Acting Director of the Mid-Pacific Region. . Anthea also shared that she attended the 2018 California H2O Women's Conference with Frances Mizuno, Rebecca Akroyd and Sarah Wolf and provided a copy of the Agenda for the Board to review.

14. CLOSED SESSION

There was no closed session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:37 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



**SPECIAL MEETING OF THE BOARD OF DIRECTORS
OCTOBER 24, 2018
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda. Anthea informed the Board that at 9:30 a.m., Jeremy Ware of JWT and Associates, LLP CPA, would be calling in to give his report on the District's Financial Audit.

4. MINUTES FROM THE REGULAR BOARD MEETING OF 9/19/18, MONTHLY ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT FOR THE MONTH OF SEPTEMBER 2018

The Minutes from the Regular Board Meeting of 9/19/18, the Monthly Accounting Reports as of 9/30/18, and the Monthly Field Operations Report for the month of September 2018 were provided for the Board's review. The Board approved the three items as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that pumps were operating at 4200 cfs, San Luis is about 58% full with federal share at 43% and refill mode was moving forward. The 50% exceedance forecast showed the Federal filling in late December/early January, and the State side short of filling at all. Under the 90% exceedances, neither project would fill and drawdown would begin in early January. There was nothing official to report on rescheduling to date, but the Bureau continued to reference a 10% cap as reported earlier in 2018.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 9/30/18

Adam reported use for the month of September at 4,639 AF, with an additional 406 AF of OCRRP use and 800 AF transferred out of the District. A total of 94,591 AF was projected to be available for the current water year with an estimated 16,970 AF for rescheduling into 2019-2020.

Note: Board Member Lucich arrived at 8:44 a.m.

C. 2018 Rescheduling – Update

This item was discussed with Item 5.A.

D. Delta-Mendota Canal Subsidence Presentation – Bob Martin SLDMWA

Anthea introduced Bob Martin of the SLDMWA who provided a presentation on DMC Subsidence Presentation. After discussion, Bob Martin was thanked for giving the presentation and his time.

E. Remote Telemetry Project - Update

Adam provided the Sierra Controls, LLC Remote Flow Motoring Program: Phase I Project Proposal and explained that the previous plan of placing a tower by the District office had to be terminated, as it would not be able to transmit the information from the two selected monitoring sites. Instead, a SCADA system with two small cellular units would be placed at the two selected sites (47.37L and 46.83L) and would then relay the information to a cloud system where it could be accessed. Anthea noted that the change might

have to be reflected in the grant application as well. Adam was tasked with confirming with the USBR Grant manager on how to incorporate the change, and to determine the next steps for environmental coverage.

6. DRAINAGE ACTIVITIES

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

Adam provided a list of the proposed changes to the Board for review. He reported that some of those changes included Farm Evaluation Plans will get on a 5 year schedule, Nitrogen Management Plans will become Irrigation and Nitrogen Management Plans and will be modified to require reporting of yield as well as nitrogen applied were just a few of the list mentioned. Also provided were lists with the dates of scheduled Annual Meetings as well as Sediment and Erosion Self Certification Training taking place in November 2018 and January 2019. Anthea inquired about the member list that might receive a Notice of Violation(s) for required reports had not been turned in. Adam indicated he had made contact with those members and most had been completed. For those not completing the report, an individual fine would be imposed and they would be removed from the Coalition.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea reported that the beginning stages of data gathering and preparation was underway for the GSP. She also provided the Delta-Mendota Subbasin Technical Working Group Meeting Agenda with the Board and shared that a good amount of Grant funding was available for GSP development in the coming years, which was estimated in the budget. She asked Adam what was happening in the technical side and he shared that once a revised water budget was received they would be able to compare it to other GSA/GSP regions. He added that the Technical Committee had been focusing on the sustainability criteria. DMC Subbasin Cost Sharing Agreement GSP Development Coordinated Activity Cost Share Distribution to be about \$304K over the next 3 years without grant funds. Anthea also reminded and encouraged the Board to attend one of three SGMA workshops in October in Firebaugh, Los Banos and Patterson that were scheduled to provide an informational presentation followed by an open house.

8. FINANCIAL MATTERS

A. 2017-18 Financial Audit Presentation

Anthea introduced Jeremy Ware of JWT and Associates, LLP CPA who called via telephone conference and proceeded with the 2017-18 Financial Audit Presentation. The Financial Audit Report indicated the District received an audit result of "Unmodified" which is the best opinion you can get in an audit. There were also no audit adjustments. After review and discussion, the Board accepted the 2017-18 Financial Audit as presented by the Auditor as follows:

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

B. Cash Flow Worksheet for FY 2018-19

Anthea provided and reviewed the Cash Flow Projection Report that provided actual information through the month of September and projected information for October – February 2019.

C. USBR Financial Issues Update

Anthea shared that she was expecting a Draft of the final cost allocation study from the Bureau of Reclamation by the end of October. She also reported that the Bureau of Reclamation currently did not have a repayment policy within the region to accommodate long term repayment of extraordinary expenditures. The current policy would indicate that if there is an extraordinary expenditure in any given year, it would be collected as O&M and in the current year final accountings. Although Congress passed Law PL111-11 3 years prior, which provides for extended repayment for Reclamation projects that have emergencies, the region has not recognized that in a formal policy approved by Denver.

D. 2019 DRAFT USBR Water Rates

Anthea provided the Draft CVP Schedule of Irrigation Cost of Service Water Rates for the Board to review and added that they were on their website as well. She reported that the proposed rate will increase by

a few dollars from \$84.92 to \$86.91. With the addition of the WA rate and Restoration Rate, she expected the proposed rates would be about the same for the 2019-20 water year.

- E. Board to Approve Memorial Donation to the Arianna Marie Koster Memorial Scholarship Fund
After discussion, the Board approved a donation of \$1,000 toward the Arianna Marie Koster Memorial Scholarship Fund as follows:

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

9. SUPPLY DEVELOPMENT PROGRAMS

- A. North Valley Regional Recycled Water Program – Update

Anthea shared that the Dedication Ceremony of the NVRWP - Turlock Component went very well and construction was underway. She added that she had recently been working with Woodard & Curran and Turlock to review cost estimates. She also shared that she was working with the City of Modesto on final costs and invoicing. Anthea also provided a letter to ACEC, NVRWP Monthly Coordination Meeting Agenda, email correspondence with Carollo pertaining a progress meeting summary, a Turlock Component Progress meeting Agenda, correspondence from Congressman Denham and Senator Feinstein in support of the project and potential funding for the Board's review.

- B. Orestimba Creek Recharge & Recovery Project – Update

Adam reported that water was placed on the north pond in late September and ran steady for 3 ½ weeks to attempt to completely fill one pond and were still unable to get the pond full running at 7 cfs, meaning the recharge was proving successful. About 3 ft per day increase in water level in shallow well A. Email correspondence from Rick Iger and a Depth to Groundwater Graph were provided for the Board's review. Anthea also shared that the grant award from FEMA was expected soon.

1. Review and Consider Change Order Task 17-02 – Amount \$10,600

Anthea shared that there were a couple of issues that the Pilot Project arose during which caused a change in the scope of work and costs that Provost & Pritchard are charging for construction management services and an issue with the contractor disposing of material in the wrong place along with small change orders to the physical facilities. The proposed change was \$21,200, with 50% of the cost to be paid by the District. She added that the work had already been performed and requested authorization for the Change Order Task 17-02 - SJRECWA Amendment 2 cost of \$10,600. After review and discussion, the Board approved the Change Order Task 17-02 in the amount of \$10,600 as follows:

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

- C. Del Puerto Canyon Reservoir Project – Update

1. Review Draft RFP for Program Manager/Owner's Representative for the DPCR Feasibility Study
Submittal of a request to Reclamation for funding from the WIIN Act for a feasibility study was completed and pending notice of award, Anthea continued to work with Reclamation to obtain a draft template for how the cost share would work if the District received the funding. A copy of a FIRST DRAFT RFP-Program Manager/Owner's Representative for Del Puerto Canyon Reservoir (DPCR) Feasibility Study was provided for the Board to review. She shared that it was likely to be Staff's recommended approach to the next phase of this project.

- D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that some modeling had taken place and she had recently received the template MOU for moving forward to the next phase, which would be presented to the Board once a review was complete.

- E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update
There was nothing to report on this item.

10. ADMINISTRATIVE ACTIVITIES

- A. 9D Contract Conversion Effort – Update

Anthea updated the Board on the status of the delegation of Authority request from the Commissioner and added that she has made clear to the Bureau that contract negotiations should include all of the Districts before moving forward.

- B. District Local Hazard Mitigation Plan – Update

- 1. Approve Contract Execution with Provost & Pritchard for Consulting Services to Finalize Changes Required by CalOES Reviewer's to the District's Local Hazard Mitigation Plan

Anthea provided and reviewed the Proposal for Engineering Services for Updating the District's Local Hazard Mitigation Plan, from Provost and Pritchard, who would be assisting the District with preparation of a revised LHMP addressing FEMA's recently received review comments. After discussion the Board approved the Contract Execution with Provost & Pritchard for Consulting Services to Finalize Changes Required by CalOES Reviewer's to the District's Local Hazard Mitigation Plan as follows:

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

- C. Westside San Joaquin IRWM Region – Update

Anthea shared that the Westside San Joaquin Integrated Regional Water Management plan was coming together nicely and was pending review, after which it would be brought to each District/Agency Board for approval. She added that a funding opportunity for the 2018 Prop 1 Implementation Grant Program was out for public review. She further provided the Board with Woodard & Curran's Technical Memo on IWRMP Overlap and Efficiency, specifically with respect to stormwater resource planning and Groundwater Sustainability plan development.

- D. Clean Water State Revolving Fund Loan Application 2018 – Update

There was nothing to report on this item.

- E. Review and Consider Request for Continued Out of Boundary Water Service Contract on a 15 acre Portion of APN 21-91-12

Anthea and Board Member Lucich recused themselves from this item and Adam proceeded to give a brief background on APN 21-91-12 and its annexation to the City of Patterson and a request from the tenant to continue to receive service from the District. He shared that the parcel had a new owner who did not have any contractual relationship with the District but the tenant requested to continue farming the 15 acre portion until such time as the trees are removed and/or development plans for the front portion of the property were pursued by the owner. Staff recommended allowing a continued CVP allocation only to the 15 acres planted to apricot trees and that in lieu of requiring the new owners to sign an out of boundaries contract with the District, all per acre charges and water costs for each year would be paid in full by the tenant before deliveries commenced. After review and discussion, the Board approved the Request for a Continued Out of Boundary Water Service Contract with the tenant on a 15 acre Portion of APN 21-91-12 as follows:

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

- F. Crows Landing Industrial Business Park FEIR Update

Staff referenced Notice of a Public Meeting from Stanislaus on Tuesday, October 30th discussing the Crows Landing Industrial Business Park FEIR and another on November 1st pertaining to the Airport Land Use Commission Application. Anthea noted that the County planned development of the 1,528 acre project in

three phases, and that the District would monitor the development to determine when the lands would be removed from service.

G. 2018 Conflict of Interest Code Biennial Notice

A Biennial Conflict of Interest Code for the New Del Puerto Water District was provided for the Board for review. With no changes recommended, Anthea would be executing and returning the notice as required.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Minutes for the September SLDMWA BOD Adjourned Regular Meeting, September's Science Program Update, and Comments Re: Proposed Revision of Regulations for Interagency Cooperation, Prohibitions to Threatened Wildlife and Plants, and Listing Species and Designating Critical Habitat were provided for the Board's review. Anthea reported that the SLDMWA continued to work through its strategic planning and cost allocation as well as the hiring of an Executive Director.

B. SLDMWA Strategic Planning Update

This item was covered in Item 11. A.

12. MANAGERS REPORT

A. Federal Legislation – Update

There was nothing to report on this item.

B. State Legislation – Update

There was nothing to report on this item.

C. SWRCB Fee Litigation – Update

Anthea shared that the Supreme Court had denied the petition for writ of certiorari. She was unaware yet as to the next steps for this long-standing effort.

D. CA Water Fix – Update

Anthea noted that the Draft Supplemental Environmental Impact Report/Environmental Impact Statement (EIR/EIS) was out for review. Comments were due by November 1st.

E. State & Federal Contractors Water Authority – Update

Anthea reported that this Agency continued to wind down.

F. SWRCB WQCP Activities - Update

Anthea shared that the decision of Phase 1 had been delayed by the State Board until November 7th. She added that a Phase II proposal would probably add another 820 TAF in unimpaired flow impacts for export contractors.

G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

Anthea provided a memorandum from the President to the Secretary of Interior Commerce, Energy, Army & Chair of the CEQ pertaining to Promoting the Reliable Supply and Delivery of Water in the West. The memo directed the Secretary of the Interior to consult with California and address the coordination of the State and Federal Project, specifically to streamline regulatory processes and remove impediments to achieving a better water supply reliability.

H. USBR/DWR Coordinated Operations Agreement – Update

This item was discussed in item G.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea shared that she had attended Director Murillo's Retirement Luncheon in Sacramento and provided a handout from the event.

14. CLOSED SESSION

There was nothing to report for closed session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2
There was nothing to report on this item.

16. ADJOURNMENT
Being no further business, the meeting was adjourned at 12:20 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Anthea G. Hansen". The signature is written in a cursive style with a long, sweeping tail on the letter "n".

Anthea G. Hansen
Secretary



**MEETING OF THE BOARD OF DIRECTORS
SEPTEMBER 19, 2018
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. MINUTES FROM THE SPECIAL BOARD MEETING OF 8/22/18, MONTHLY ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT FOR THE MONTH OF AUGUST 2018

The Minutes from the Special Board Meeting of 8/22/18, the Monthly Accounting Reports as of 8/31/18, and the Monthly Field Operations Report for the month of August 2018 were provided for the Board's review. The Board approved the three items as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided the SLDMWA's CVP Ops Status and Forecast Report and shared that as of 9/14/18 the San Luis Reservoir was at 1,046,251 AF, 51% full. Of that, the Federal Share was at 38% and the State Share was at 64%. Now that the fall/winter season was approaching, tracking of the reservoir refill has begun. She explained that under the 50% exceedance forecast, total San Luis does not show as filling, but the CVP share will do so in late December. In the 90% forecast, the reservoir does not show filling on either the State or Federal side. Graphs showed low point hitting in August (320 TAF). She also reported that there was currently no COA debt.

Note: Board Member Lucich arrived at 8:32 a.m.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 8/31/18

Adam reported use for the month of August at 7,486 AF, with an additional 39 AF of OCRRP use and 2,172 AF transferred out of the District. A total of 94,844 AF was projected to be available for the current water year with an estimated 27,388 AF for rescheduling into 2019-2020.

C. 2018 Rescheduling – Update

Anthea reported that the Bureau would be issuing Rescheduling Guidelines limiting District to 10% of the contract supply which is approximately 14,021 AF of CVP supplies. She added that she had arranged for the placement of an additional 11,350 AF through two transactions, bringing the total amount to 16,000 AF targeting for rescheduling. The District also has 4,000 AF banked in Arvin-Edison Water Storage District for return in the future.

D. Resolution Approving RWSP Water Supply Acquisition Agreement 18-WC-20-5312

Anthea provided and reviewed the Resolution Approving FWSP Water Supply Acquisition Agreement 18-WC-20-5312 with the Board. After discussion, the Board approved the Resolution as follows:

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

6. DRAINAGE ACTIVITIES

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

1. RWQCB Proposed Irrigation & Nitrogen Management Plan (INMP) Reporting Templates

Adam shared that there was no meeting held for the month of September and had nothing to report. He did however receive the templates for the East Side Order NMPs, worksheet instructions and worksheets, and NMP Summary Report and Instructions to meet new requirements for nitrogen reporting. It was noted that comments on the templates were due by October 15, 2018.

2. Notice of Violation Letter List for 2017

Adam provided the Notice of Violation of NMPs list for 2017 which included 15 of District's customers. He indicated he would be making calls and reaching out to offer assistance from Staff on completing the reports which would hopefully prevent fines from being imposed on them.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Adam provided the Authority's SGMA Summary and shared that they continued to develop maps for the Delta-Mendota Subbasin which indicate the extents of GDEs. The summary also indicated the Second Amendment to the Northern and Central Region Activity Agreement was in final form. Adam reported that a few big meetings had taken place discussing Water Budgets. Meeting Minutes for the North/Central Delta-Mendota Region Technical Advisory Committee Group Meeting on August 13th, the Technical Group meeting on August 21st, the Technical Subcommittee Meeting on August 24th, the Northern/Central Delta-Mendota Region Technical Working Group and Technical Advisory Committee Group meeting Agendas on August 27th, the Delta-Mendota were provided. Maps showing average stream gain loss future locations of monitoring wells, Subsidence Management Areas, Water Quality Management Areas and Water Levels Management Areas were provided and discussed. Also provided was a copy of the Delta-Mendota Subbasin Technical Working Group Meeting Minutes for August 8th for the Board to review.

8. FINANCIAL MATTERS

A. 2017-18 Financial Audit Preparation Update

Anthea reported that Jeremy Ware would be performing his site visit on Friday, September 21st. She was currently working on the Manager's Discussion and Analysis, with a plan to have the completed Financial Audit report presented to the Board of Directors at the October Board Meeting. Anthea shared that upon speaking with Jeremy, he indicated that JWT and Associates may consider not performing audits for water districts, and being that this year was the last contracted year for that firm, she would be bringing an RFP to the Board for the next 3-5 year cycle sometime after the first of next year.

B. Treasurer's Quarterly Investment Report for the Second Quarter Ending 8/31/18

Anthea presented and reviewed the Treasurer's Quarterly Investment Report for the Second Quarter ending 8/31/18 with the Board. After review and discussion, the Treasurer's Quarterly Investment Report for the Second Quarter ending 8/31/18 was approved as follows:

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

C. Fund Balance Report – General Fund, Rate Stabilization Fund and CVP Capital Fund

Anthea provided and discussed the Fund Balance Report as of 9/18/18. She reported that the projected transfers had been completed and that the Fund Balances as of the end of FYE 2/28/18 were as follows: General Fund - \$6,864,385; Rate Stabilization Fund - \$753,375; and CVP Capital Fund - \$1,086,004.

D. Balance Sheet Analysis for 2nd Quarter 2018

Anthea provided and reviewed a Balance Sheet Analysis which showed District's assets and liabilities as of 8/31/18. She indicated that this is a draft report for the year, as closing and final entries are not entered until the end of the year.

E. Cash Flow Worksheet for FY 2018-2019

Anthea provided and reviewed the Cash Flow Worksheet for FY 2018-2019 with the Board.

F. USBR Financial Issues Update

Anthea reported on a series of emails indicating that the South-Central California area office had failed to charge Districts for the market cost of project use energy used to move warren act water through their facility. She shared that after discussion with counsel and thorough verification, she recommended that the District pay the fees, as the USBR was within their rights and the law, and to take into consideration that they were only charging back four years when they could have gone back much farther. After discussion, the Board gave direction for Staff to pay the fees as calculated in the amount of \$520,907 for Contracts 4383 and 4548 thru USBR FYE 2016.

9. SUPPLY DEVELOPMENT PROGRAMS

Anthea provided correspondence to the Regional Director from the Water Authority showing support for the investigation of the feasibility of raising the B.F. Sisk Dam for the benefit of additional storage south of the Delta as part of the B.F. Sisk Safety of Dam Modification Project.

A. North Valley Regional Recycled Water Program – Update

Anthea provided RMC's July/August Progress Report and shared that she had gone to the job site on Monday where Ranger Pipelines was potholing along the alignment on the Modesto property to locate the utilities and water level. The pipe was being ordered to begin the Turlock Component, with delivery expected in Early December. October 19th at 10:30 a.m. had recently been set as the groundbreaking date and time for the Turlock Component. Invitations were in the process of being made for this event. Anthea reported that the Prop 84 Grant had been closed out and the final retention requested. She was also awaiting notice of whether or not a Title XVI Grant would be received for 2018. She further shared that the NVRWP had received the "Community Water Champion" award from the Water Reuse Association on September 10th, being recognized as a project that had made significant contributions in support of water recycling.

B. Orestimba Creek Recharge & Recovery Project – Update

Adam reported that about 300 AF of water went in to 20 acre pilot project during August and that it was still only about half full. He shared that initial estimates of ½ linear foot per day were expected, yet about 2 linear feet per day were currently moving, making it a very successful recharge. Maps and charts showing the monitoring well locations and levels were provided and reviewed with the Board.

1. Review and Consider Cost-Share Obligations for OCRRP Expansion – Phases I & II

Anthea reminded the Board of their previous authorization to expend to submit a grant application to the Office of Emergency Services and FEMA and concurrent with finishing up the pilot study, so that the Districts could position themselves to do a full 80 acre project at the minimum. A Letter of Transmittal, the Budget Report that was also provided in the August BOD Meeting, and tasks for Phases I & II as sent to FEMA were reviewed with the Board. She added that it seemed eminent that the anticipated application to CALOES through the FEMA Grant is likely going to receive an award sometime in the coming week. The total project cost was estimated at \$7.9 million, and it is anticipated that a grant of \$5.9 million (75% of the cost of the project) would be awarded. She presented the Phase I/Phase II projected cost for the District's share, and noted being sought to accept a full grant award, the movement into Phase II for a full 80-acre project would be contingent on the environmental findings and the District's desire to continue as a 50% partner (or some other negotiated percentage) with CCID. She proposed that the FEMA award be accepted with CCID based on the budget presented, which indicated only \$60,000 of the District's \$990,000 cost share would have to be expended to get through the Phase I determination of project viability. If so, then the Districts would move forward with Phase II and build an 80 acre water bank with the balance if expenditures incurred in 2020/2021. After discussion the Board approved the Cost-Share Obligations for OCRRP Expansion – Phases I & II as follows:

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

C. Del Puerto Canyon Reservoir Project – Update

Anthea provided a letter from Reclamation acknowledging the Districts request for feasibility study funds under the WIIN Act and agreeing that the DPCR could be a promising project. The letter indicated that they would give the District's request full consideration when preparing the WIIN Act Section 4007 funding recommendations for the FY 2019 Appropriations bill, including consideration of the maximum allowable Federal cost share for the feasibility study and environmental compliance activities.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that she and Adam were providing information for the "Gaming" exercise, or the process of modeling how specific participation in a reservoir project would look in terms of additional storage in these reservoirs, similar to what they were also working on for the Temperance Flat Reservoir Project. She indicated that more information would be available by the next Board meeting.

E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update

This item was discussed in item 9.D.

F. Pacheco Reservoir Expansion Project - Update

There was nothing to report on this item.

10. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort – Update

Anthea reported that she and Ernest Conant were scheduled to attend an all-day Technical Session in Sacramento with the USBR and other Contractors to start discussion on the parameters for the contract conversion effort. She reported that work was being put into the District's to further communicate on the "White Paper", this effort to convert to a permanent contract by paying off District's Capital Debt would have an upside of a lower water rate, removal of the requirements of RRA, and therefore no forms, acreage limitations, or full cost water.

B. District Water Management Plan - Update

Anthea provided Reclamation's letter informing the District that its Water Management Plan met the requirements contained in the 2017 Standard Criteria.

C. District Local Hazard Mitigation Plan – Update

It was reported that the District's submission of its Draft Local Hazard Mitigation Plan had been returned by CALOES with a longer list of questions than expected. Adam and Anthea would be working on a strategy to finalize the plan.

D. Westside San Joaquin IRWM Region – Update

Anthea shared that the plan document was done with editing, but she had yet to review the final draft. She noted that once finalized, the Board would have to adopt the plan. This would allow District to apply for grants.

E. Clean Water State Revolving Fund Loan Application 2018 – Update

There was nothing to report on this item.

F. Resolution Recognizing Regional Director David G. Murillo on the Occasion of his Retirement

Anthea provided a draft Resolution Recognizing Regional Director David G. Murillo on the Occasion of his Retirement and asked the Board for approval, specifically in recognizing the important role Director Murillo had in making the NVRWP happen. The Board approved the Resolution Recognizing Regional Director David G. Murillo on the Occasion of his Retirement as follows:

Ayes: Perez, Koster, Dompe, Maring and Lucich
Nays: None

Abstentions: None
Absent: Jasper

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the Agenda to the SLDMWA BOD Meeting, Minutes and O&M Reports. She indicated the main issues being worked on at the Authority were Strategic Planning and trying to fill the Executive Director position. She added that she was in a group that was reviewing the current cost allocation within the Water Authority, which had come up as a subset of the strategic planning discussions.

B. SLDMWA Strategic Planning Update

Anthea shared that the SLDMWA Board Members were very supportive on all of the activities the Authority performs for the member Districts, and that continuation of the same levels of service would seem contrary to expressions of concerns over cost.

12. MANAGERS REPORT

A. Federal Legislation – Update

Anthea reported that some regulatory changes to ESA were being looked into. Anthea provided correspondence from Senator Feinstein's office announcing Senate passage of the 2019 Energy and Water Development, Military Construction and Veterans Affairs, and Legislative Branch appropriations bills.

B. State Legislation – Update

A statement from Assemblymember Gray indicating his vote against SB 100, which excluded hydropower from the definition of renewable energy and would raise the utility rates, was provided for the Board.

C. SWRCB Fee Litigation – Update

There was nothing to report on this item.

D. CA Water Fix – Update

A Notice of Appeals regarding California Waterfix Certification of Consistency with the Delta Plan indicated that nine appeals had been filed in response to several certification of consistency.

E. State & Federal Contractors Water Authority – Update

Anthea shared that this Agency would no longer exist by next year, as the Board was working to "wind down" its activities.

F. SWRCB WQCP Activities - Update

Anthea reported that the State Board had delayed their decision on Phase I of the plan until November 7th. There were two days of testimony and objections on the plan. Agencies were being requested to make voluntary agreements - "settlements" – in advance of the plans approval. A letter from California Legislature to the SWRCB pertaining to the plan's flaws, Comments that different groups provided from the recent hearings, and several news articles on how this plan could affect West-Side Ag were provided for the Board's review.

G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

There was nothing to report on this item.

H. USBR/DWR Coordinated Operations Agreement – Update

A Notice of Negotiations under Article 14(b) (2) of the COA from Director Murillo to Karla Nemeth of DWR was provided to the Board. Anthea reported that the letter indicated a negotiator would be hired to assist as the Agencies had been unable to mutually agree on revisions to COA for maintaining conformity with the objectives and principles embodied in the 1986 COA and underlying technical studies.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea reported that she had recently toured the Delta on a California Central Valley Visit and Tour with DOI/NMFS/Reclamation and FWS Staffs in an effort to get to know each other, discuss and develop joint federal strategies for coordination on priority initiatives and to increase understanding of California issues. An article on

shortened timespan for groundwater use, a letter from a Westlands Boardmember who had recently resigned and Sandra Watts' completion of a Payroll Clerk program were provided for the Board's information.

14. CLOSED SESSION

There was nothing to report for closed session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

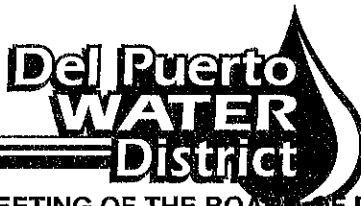
16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:00 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



SPECIAL MEETING OF THE BOARD OF DIRECTORS

AUGUST 22, 2018

MINUTES

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. MINUTES FROM THE REGULAR BOARD MEETING OF 7/18/18, MONTHLY ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT FOR THE MONTH OF JULY 2018

The Minutes from the Regular Board Meeting of 7/18/18, the Monthly Accounting Reports as of 7/31/18, and the Monthly Field Operations Report for the month of July 2018 were provided for the Board's review. The Board approved the three items as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

The weekly Delta Conditions Report was reviewed. Anthea reported that San Luis was in refill mode as demands decreased after harvest. Pumping capacity was reported at about 4,400 cfs.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 6/30/18

Adam reported use for the month of July at 10,764 AF plus 15 AF wheeled to DPWD lands by CCID, and 4,828 AF transferred out of the District. A total of 94,664 AF was projected to be available for the current water year with an estimated 26,905 AF for rescheduling into 2019-2020.

C. 2018-19 Annual Additional Supplies Pool Program – Update

Anthea mentioned that several customers were interested in purchasing additional supplies, as their accounts were running low on water. She provided a copy of a Late Request Form which would be used for those customers wishing to access Additional Supplies at the rate of \$275/AF.

D. Proposed 2018 Rescheduling Program - Update

Anthea reported that the Bureau had hosted a webinar on Rescheduling and shared that they seemed intent on again changing the Rescheduling Guidelines. They proposed limiting the amount of Rescheduled water to 10% of contract total, and imposing additional loss calculations. Non-Project Water, water transferred from CVP contractors from upstream of the Delta, North of the Delta or Friant would not be subject to the cap. A copy of the power point presentation was provided for the Board's review.

E. DPWD Remote Flow Monitoring Program – Update

Adam provided final results from the radio surveys and recommended suggestions from the consultants on how to configure the Pilot Project. Adam indicated he would have the environmental documents necessary drafted for the next BOD meeting.

F. DPWD 2017 Crop Report – FINAL

Anthea provided the Final DPWD 2017 Crop Report and shared that although the District still has a large variety of crops, the majority fall under permanent tree crops, specifically Almonds.

G. Review and Approve SWPAO Agreement #18021 for Exchange of Water between DPWD, the OFWD, and the USBR to Support the Delivery of CVP Supply to DPWD Lands thru OFWD Turnouts

Anthea shared that this was a yearly agreement between DWR, BOR, DPWD and OFWD and would support the delivery of CVP supply to DPWD lands thru OFWD turnouts. After review and discussion the Board approved the SWPAO Agreement #18021 for Exchange of Water between DPWD, the OFWD, and the USBR to Support the Delivery of CVP Supply to DPWD Lands thru OFWD Turnouts as follows:

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

6. DRAINAGE ACTIVITIES

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

Adam reported that the Coalition was in the process of wrapping up Water Quality Standards for the monthly sampling for all the creeks in which they hope to see increased, reduced or hopefully 0 exceedances. Also discussed was domestic well testing, which would be conducted by the water user. Adam also provided a list of actions from DWR to the SJVDA in order to provide them an \$855,000 grant for the Board's review.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea provided a list of the members of the Northern Delta-Mendota Management Committee and Central Delta-Mendota Activity Agreement Management Committee for the Board's information. A map showing the 23 GSAs was also provided and Anthea reported that currently work to form 5 GSPs was progressing. Adam reported that the Water Budget, the San Benito County and its Water District's decision to not form or join a separate GSA, and the recommendation to use Trend Monitoring Program as a basis for the program were discussed at the recent DM Subbasin Technical Committee meeting. It was noted that a meeting was scheduled for August 24th to discuss Groundwater Dependent Ecosystems. Anthea noted that SGMA and other regulatory requirements could potentially require the District to consider an additional Staff member.

8. FINANCIAL MATTERS

A. 2017-18 Financial Audit Preparation Update

Anthea reported that the Financial Audit had been delayed and an update would be provided by the next BOD meeting.

B. Presentation of 02/28/18 GASB 68 Accounting Report

Anthea noted that Governmental Accounting Standards Board Statement 68 (GASB 68) Accounting and Financial Reporting and Pensions requires a report on cost-sharing provisions. Information from Cal PERS was used by MacCleod Watts to develop the Cost Sharing Multiple-Employer Pension Plan for DPWD GASB 68 Accounting Report as of 2/28/18, which was provided for the Board to review.

C. Fund Balance Report – General Fund, Rate Stabilization Fund and CVP Capital Fund

Anthea provided, reviewed and discussed the District's Fund Balance Report as of 8/21/18 with the Board. Copies of recent transactions were provided for the Board's review. Anthea noted that after the transfers were made, the Rate Stabilization Fund was estimated to have a balance of \$1.1 million as targeted.

D. Balance Sheet Analysis for 1st Quarter 2018

Anthea provided and reviewed a Balance Sheet Analysis for the 1st Quarter 2018. The 2nd Quarter report will be provided in the September Board Meeting.

E. Cash Flow Worksheet for FY 2018-2019

A Cash Flow Worksheet was provided for the Board's review.

F. USBR Financial Issues Update

Anthea provided a letter from BOR indicating the increase in Mitigation and Restoration charges effective 10/01/18 to \$10.63/AF for Agricultural deliveries. She also reviewed the background definition and purpose of the Restoration Fund.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that on July 24th, the Turlock City Council unanimously passed 5 motions on the construction and engineering contracts needed to move forward with the Turlock Component of the NVRWP. A City Council Staff Report was provided for the Board to review. Agendas to several other monthly NVRWP meetings were also included for the Board's review.

1. Board to Authorize Release of NVRWP Optional Services Budget with Woodard & Curran

Anthea explained that Woodard & Curran had requested release of the previously approved optional services budget, which would be used to support outreach activities grant administration and financial analyses. After discussion, the Board authorized the release of the NVRWP Optional Services Budget with Woodard & Curran as follows:

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

B. Orestimba Creek Recharge & Recovery Project – Update

Adam reported that the test ponds had recently been completed and construction of the monitoring wells was the next step on the project. Once completed, filling of the ponds and testing would likely begin and continue through September or October. Staff also reported on the Cal OES/FEMA MARPRO EHP Meeting Agenda on August 16th and provided a budget report detailing the full build at \$7.9 million and how the cost-share grant would look at a 75/25% split.

C. Del Puerto Canyon Reservoir Project – Update

Anthea reported that the next step being discussed among the project partners would be to send out an RFP to hire a consulting program manager to perfect full CEQA/NEPA documentation. A request had been sent to Washington DC for funding for this study from the WIIN Act.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea shared that she had been participating in Local Agency Partners Manager's Meetings and reported that the Project had received \$459 million from Prop 1 and also awarded advanced funding of \$13.5 million. DPWD and several other local South of Delta agencies are continuing to consider participation as an alternative way to move and store CVP water.

E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update

There was nothing to report on this item.

F. Pacheco Reservoir Expansion Project - Update

There was nothing to report on this item.

10. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort – Update

Anthea shared that this effort was Mid-Pacific region-wide, as the Bureau had received about 60 conversion requests, with more still coming. The USBR is expected to host a briefing to explain the next steps, which would be followed by contract negotiations. Staff has been organizing data to submit to Summers Engineering for the Prop 218 Engineer's Report and Anthea hoped to have a white paper draft soon.

B. District Water Management Plan - Update

The District's plan was published in the Federal Register in May, but the Bureau has yet to issue a letter confirming its approval. Recent communication with the Bureau shows it is being looked into. Annual updates will be required for the next 5 years, and an updated 5-year plan will be required in 2022.

- C. District Local Hazard Mitigation Plan – Update
Staff reported no response on the submission of the District's Local Hazard Mitigation Plan. This plan needs to be approved by the Board in order to be eligible for the FEMA CAL OES Grant for Orestimba Creek to move forward.
- D. Westside San Joaquin IRWM Region – Update
Anthea reported that the update to the plan document was ongoing. She provided Project Prioritization Methodology, Project Descriptions, Simulated Benefit-Cost Analysis, and Project Prioritization Scoring for review and discussion and noted that DPWD's submitted projects all scored well based on the criteria for inclusion in the plan.
- E. Clean Water State Revolving Fund Loan Application 2018 – Update
Anthea reported that she had completed the General Application as advised by the SWRCB and would submit it to trigger the assignment of a Program Manager. Potential funding would most likely not be available until the next fiscal year.
- F. USBR Contract Compliance Review Notice - Report
Anthea shared that District was one of 10 Mid-Pacific Region contractors chosen to have a Contract Compliance Review performed. The review is scheduled for August 28th.

11. SLDMWA Report

- A. SLDMWA Minutes, Reports and Issues Updates
Anthea reported that the regular meeting did not take place, but a telephonic meeting was held to take action on several items. A copy of the Executive Director Recruitment brochure was provided for the Board's review.
- B. SLDMWA Strategic Planning Update
There was nothing to report on this item.

12. MANAGERS REPORT

- A. Federal Legislation – Update
There was nothing to report on this item.
- B. State Legislation – Update
There was nothing to report on this item.
- C. SWRCB Fee Litigation – Update
Anthea provided a copy of a Petition for Writ of Certiorari being presented to the Supreme Court of the United States for the Board's review, and noted that this effort was the last opportunity to have the courts consider appeal of the fee litigation case.
- D. CA Water Fix – Update
There was nothing to report on this item.
- E. State & Federal Contractors Water Authority – Update
There was nothing to report on this item.
- F. SWRCB WQCP Activities - Update
Anthea provided a comment letter to which the District was a signatory, regarding the negative impacts of Phase 1 Bay-Delta Plan Updates. She also reported on a letter from DOI/USBR to the SWRCB pertaining to the Final Draft Update, noting Interior's indication that the proposed plan updates were not insistent with existing science, policy, or congressional law.
- G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update
Anthea shared that discussions were ongoing between DWR and the USBR that hopefully would aid in the process of getting a final project description in place for the re-consultation.

12. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Articles pertaining to Revisions of Endangered Species Regulations and Carr Fire Issues were provided for the Board's review.

13. CLOSED SESSION

Upon return from Closed Session, Anthea reported that the Board gave Staff guidance to move forward with a CVP Transfer/Exchange to Arvin Edison Water Storage District, a CVP transfer with the USBR Refuge Water Supply Program, and the approval of the terms of an MOU in substantially the form presented regarding the management of a previously approved level 2 refuge water exchange between Del Puerto & San Luis Water Districts and the Refuge Water Supply Program.

14. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

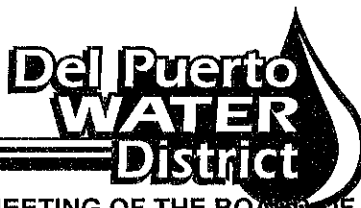
15. ADJOURNMENT

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

Respectfully submitted,



Anthea G. Hansen
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS
JULY 18, 2018
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

Board Member Bill Koster mentioned that growers from his area had been inquiring about alternatives to ease water rates. No further public comments were mentioned.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea shared that items 8.C. and D. would be removed from the Agenda as they were not completed, and at 10:00 a.m., John Roadifer would be calling in to give his presentation on the Preliminary Economic Feasibility Assessment for the Del Puerto Canyon Reservoir Project. Approval of the Agenda with those minor changes was as follows:

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

4. MINUTES FROM THE REGULAR BOARD MEETING OF 6/20/18, MONTHLY ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT FOR THE MONTH OF JUNE 2018

The Minutes from the Regular Board Meeting of 6/20/18, the Monthly Accounting Reports as of 6/30/18, and the Monthly Field Operations Report for the month of June 2018 were provided for the Board's review. The Board approved the four items with a minor correction to the Board Attendance of the Regular Board Meeting of 6/20/18 as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that the Banks pumping plant was back up and running, and that Jones was pumping at capacity. Low point in San Luis would probably be reached in late August and would remain above 300 TAF. Charts showing projected San Luis storage levels were provided for the Board's review.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 6/30/18

Anthea reported use for the month of June at 9,133 AF, plus 2,897 AF transferred out of the District. A forecast of 95,556 AF was projected to be available for the current water year and an estimated 29,904 AF for rescheduling into 2019-20.

C. 2018-19 Annual Additional Supplies Pool Program – Update

Anthea shared that there were no changes to the 2018-19 Annual Additional Supplies Pool Program.

D. SLDMWA Long-Term Transfer Program EIR/EIS - Update

Anthea reported that in February, the US District Court ruled on a lawsuit regarding the Program's EIR/EIS, with the ruling finding in favor of the plaintiffs regarding several issues. A Revised EIR/EIS was in process to address issues raised by the court, and update the relevant sections. A DRAFT Statement of Work was

provided for the Board's review: Anthea noted that the \$339K cost of the effort would be billed to transfer participants through the SLDMWA Activity Agreement.

E. DPWD Remote Flow Monitoring Program – Update

Adam provided the Final Site Survey Report from Sierra Controls, LLC which indicated cellular communication as the preferred alternative for a remote network. Adam indicated that he would be working on the CEQA/NEPA requirements in advance of the next Board Meeting.

6. DRAINAGE ACTIVITIES

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

Adam provided the Agenda minutes from the July 3rd meeting and shared that there was nothing new to report. Anthea added that membership lists were being updated and noted that staff was working on locating parcels within the District which had domestic wells, and also determine if there were any parcels required to be in the Coalition.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea provided the SLDMWA SGMA Report for the month of June and reported that the Coordination Agreement was near completion. Adam provided Agendas for the Delta-Mendota Sub-Basin Coordination Committee and the North/Central Delta-Mendota Region Technical Workgroup Meetings and reported that the current focus was on basin-wide hydrogeologic modeling. Anthea also reported that a grant in the amount of \$1.178 million for severely disadvantaged community projects and a portion of a \$1.5 million grant will also be awarded to Northern DM GSP, which will offset this year's costs in participating in the SGMA Activity Agreement.

1. Board to Consider Authorizing Execution of the Second Amendment to the Northern Delta-Mendota Region Sustainable Groundwater Management Act Services Activity Agreement and Consent of SS-MOA Participants

Anthea provided and reviewed a copy of the Second Amendment to the Northern Delta-Mendota Region Sustainable Groundwater Management Act Services Activity Agreement and Consent of SS-MOA Participants, which was being updated to allow Oro Loma District to join the participants group and to confirm the process for selecting members to the Coordination Committee. Also included for review was a chart showing how Plan Expenses would be shared. Authorization of the Second Amendment to the Northern Delta-Mendota Region Sustainable Groundwater Management Act Services Activity Agreement and Consent of SS-MOA Participants was as follows:

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

8. FINANCIAL MATTERS

A. 2017-18 Financial Audit Preparation Update

Anthea reported that the July site visit with Jeremy Ware was cancelled for a future date, as Staff did not yet have the final records ready.

B. Review and Consider Funding Request for Participation in ACWA Video Series

Anthea shared that ACWA was working with J Comm, Inc. to create a video series to engage a diverse statewide audience about the critical role water plays in building a strong foundation for California's future. Del Puerto WD, being ACWA's 2018 Clair A. Hill Award recipient, was approached to be part of the video series, and was asked to be a sponsor of the series. Anthea requested the amount of \$1,250 to sponsor a DPWD specific video to be filmed for the Agricultural Innovation & Efficiency series and was approved as follows:

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

Absent: None

C. Balance Sheet Analysis for 1st Quarter 2018
Report deferred to August meeting.

D. Cash Flow Worksheet for FY 2018-2019
Report deferred to August meeting.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea provided RMC's most recent Progress Report for the Board's review and shared that they continued to wrap up the Modesto component. She reported that the Grant Application for the next round of Title XVI funding had been completed and was awaiting her review before being mailed. A report showing all grants and loans being utilized for the NVRWP was provided and reviewed. Anthea also provided the Ranger Pipelines Bid form and noted the various line items in the bid, which in total exceeded \$27,547,208. She noted that there again had be delays in the SRF package & the ITP, which were soon to be finalized.

1. Resolution Authorizing Submission of a Grant Application for the 2018 WaterSMART: Title XVI Water Reclamation and Reuse Grant Program

After review and discussion, the Board approved the submission of a Grant Application for the 2018 WaterSMART: Title XVI Water Reclamation and Reuse Grant Program as follows:

Ayes: Maring, Koster, Perez, Dompe and Lucich

Nays: None

Abstentions: None

Absent: Jasper

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that the monitoring wells under construction and that staff was planning to meet with CCID reps to prepare an operations and monitoring plan for the upcoming recharge activities.

C. Del Puerto Canyon Reservoir Project – Update

1. Board to Receive Phase 2A Task 1 PEFA Report Results

Anthea introduced Jon Roadifer of AECOM via telephone conference call. Jon proceeded with his presentation on the scope of work performed on Phase 2A Task 1 PEFA Report Results. A copy of his power point presentation was provided for the Board to follow. The report conclusions continual support as feasible to the project, and outlined next steps for a more refined cost benefit analysis. After Jon's presentation, Anthea reported that she and Chris White had met with the Bureau regarding water rights and grant funding through the WIIN Act. She indicated that a Funding Request for next Phase Feasibility efforts was submitted by Region to Denver on 8/16 for a 2-day turnaround to Washington, with a potential approval of \$1 to 2 million.

Board Member Jim Jasper left at 11:01 a.m.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that the final results of the California Water Commission's Grant Funding had resulted in CCWD receiving \$459 million from the Prop 1 Grants.

E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update

There was nothing to report on this item.

F. Pacheco Reservoir Expansion Project - Update

There was nothing to report on this item.

10. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort – Update

Anthea provided a SAMPLE Planning Tool which reviewed the purpose, scope, objectives, issues, risks and planning for the 9D Contract Conversion Effort between reclamation and its contractors. She reported

that if successful, District's contract would be permanent, rather than have an expiration date, as the current contract stands to expire in 13 years. She indicated that one of the primary benefits of pursuing the conversion, is that the WIIN Act legislation directed the Secretary of the Interior to offer said contract as discretionary action which would minimize the environmental documentation needed, as well as the benefit of no requirement under the RRR for acreage limitations, full-cost water, and forms.

1. Board to Consider Professional Services Work Order for Prop 218 Consulting Services Related to the Contract Conversion Effort

After review and discussion of the 9D Contract Conversion Effort, the Board approved a proposal in the amount of \$7,000 from Summers Engineering to prepare a Prop 218 Report for the District as follows:

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

B. District Water Management Plan - Update

There was nothing to report on this item.

C. District Local Hazard Mitigation Plan -- Update

There was nothing to report on this item.

D. Westside San Joaquin IRWM Region -- Update

Anthea provided the SLDMWA IRWM Report for the month of June for the Board's review.

E. Clean Water State Revolving Fund Loan Application 2018 - Update

Email correspondence pertaining to potential SRF funding was provided for the Board's review. Anthea reported that she would be submitting the General Application so that a PM could be assigned. The next round of project funding is July 1, 2019.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The Agenda to the July 12th BOD Meeting, the minutes to the May 17th meeting, July's Science Program Update, and O&M Report were provided for the Board's review.

B. SLDMWA Strategic Planning Update

Anthea reported that the brochure for the Executive Director position was ready and would be released this coming Friday. She added that there were some potential candidates, and the authority hoped to have a list of interviewees by the end of August. She also reported that she was asked and accepted to be in a committee that would determine cost allocation for the Water Authority, an effort being included parallel to the Strategic Planning process at the behalf of WWD to lower dues. She announced to the Board that there was a vacant seat in the Water Authority Board and encouraged one of DPWD's the Board of Directors to accept the position.

12. MANAGERS REPORT

A. Federal Legislation -- Update

There was nothing to report on this item.

B. State Legislation -- Update

There was nothing to report on this item.

C. SWRCB Fee Litigation -- Update

Anthea reported that there was an effort underway to have the Supreme Court of the United States review the SWRCB Fee case, specifically regarding of inequitable application of water rights fees on Federal Contractors. She reminded the Board that District has been paying those fees and in this litigation since 2004, have only spent \$38,000 over the past 14 years to stay in the litigation, and paid as of 2017 of \$1.1 million. (She recommended the District remain in the effort for this last step.)

1. Authorize Continued Funding of Litigation, Specifically Writ of Certiorari Seeking Case Review at the Supreme Court, and if Granted, the Costs of Arguing the Case

After discussion, the Board authorized the Continued Funding of Litigation, Specifically Writ of Certiorari Seeking Case Review at the Supreme Court, and the Costs of Arguing the Case as follows:

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

D. CA Water Fix – Update

Anthea reported that the Delta Conveyance Design and Construction Authority was recently formed, which is a joint powers authority whose sole purpose is to design and build the water diversion facility and tunnels. She shared that the District continued its stance of not being able to participate in this project due to the exorbitant cost, but continuing to work with the State on agreements that would protect the District from any harm that could come to the CVP from the Water Fix's implementation. She also reported on efforts to recoup funds from the SLDMWA first \$50 million investment in the project.

E. State & Federal Contractors Water Authority – Update

A State and Federal Contractors Water Authority BOD Meeting Agenda for a June 21, 2018 meeting was provided for the Board's review. Anthea reported that SFCWA was meeting less frequently and that efforts to wind down the agency were under way

F. SWRCB WQCP Activities - Update

A memo from the SLDMWA regarding the Bay-Delta WQCP update, a Summary of Proposed Amendments to the Bay-Delta WQCP, articles on the State's plan for river flows, and Phase 2 framework for the Bay-Delta Plan were provided for the Board's review.

G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

There was nothing to report on this item.

12. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A letter from the Secretary of the Interior announcing the reorganization of the executive branch, an article announcing Dorene D'Adamo's confirmation in the State Water Resources Control Board, an article on the Invasion of Rodents, an article on the NVRWP, and an announcement of a Water Workshop from the Office of Congressman Jim Costa were provided for the Board's review.

13. CLOSED SESSION

Upon return from Closed Session, Anthea reported that the Board gave Staff direction to pursue items listed on the Agenda.

14. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

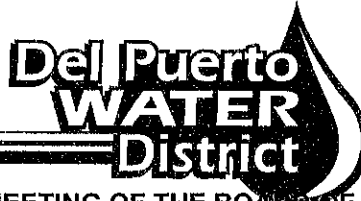
15. ADJOURNMENT

Being no further business, the meeting was adjourned at 12:07 p.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



REGULAR MEETING OF THE BOARD OF DIRECTORS

JUNE 20, 2018

MINUTES

1. CALL TO ORDER

Vice President Earl Perez called the meeting to order at 8:31 a.m. Board Members present were Jim Jasper, Zach Maring, Bill Koster and Pete Lucich.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea introduced Diane Kerchove, who had been working for the past three weeks as the District's contracted General Ledger Accountant.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea requested one item be added to approve a contract for actuarial consulting services with McCloud-Watts. The item had been received after the Agenda was posted and was necessary to stay on track with the annual audit. The item was added as #8.C. to the Agenda.

4. MINUTES FROM THE REGULAR BOARD MEETING OF 5/16/18, MONTHLY ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT FOR THE MONTH OF MAY 2018

The Minutes from the Regular Board Meeting of 5/16/18, the Monthly Accounting Reports as of 5/31/18, and the Monthly Field Operations Report for the month of May 2018 were provided for the Board's review. The Board approved the four items with a minor correction to the Board Attendance of the Regular Board Meeting of 5/16/18 as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that Staff had been busy with the recent allocation increases of an additional 20% on May 25th and an additional 5% on June 15th, bringing total allocation to 50% for the year. Anthea added that the additional 5% would not require a deposit from water users. She also reported that San Luis Reservoir was currently at 65% capacity.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 5/31/18

Anthea reported use for the month of May at 8,477 AF. A forecast of 81,248 AF was projected to be available for the current water year and an estimated 15,626 AF for rescheduling into 2019-20.

C. 2018-19 Groundwater Pump-In Program – Update

Adam provided the DMC Pump-In Program Monitoring Plan for the Board to review. He reported that due to the new requirements, there would likely not be any participation in 2018. He noted that District lands were a part of Zone 1 and 2 as mapped in the Plan, primarily Zone 2. With a 50% allocation, no pumping in Zone 2 was permitted. Anthea added that Staff would ensure the Pump-In Program Monitoring Plan would be distributed to those currently in the program and would continue in their efforts to get the Contract in place for the next five years, should pumping be requested.

1. Resolution Authorizing the Execution of a Letter of Agreement for the Replacement of Project Use Power Fees Incurred for Conveyance of Groundwater in Project Facilities

Anthea provided and reviewed the Draft Letter of Agreement for the Replacement of Project Use Power Fees Incurred for Conveyance of Groundwater in Project Facilities and explained that she communicated with the USBR of District's intent to authorize the LOA, with payment made when and if the introduction of non-project water was requested. There had been no response from them

as of today's date. The Board authorized the LOA with the stipulation that payment made when and if the introduction of non-project water was requested as follows:

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

D. 2011-2014 Conserved Water Transfer – Draft Agreement for Transfer from PID

Anthea reported that most participants in the original program had agreed to purchase their fair share of the 500 AF (2018 portion) of the agreed upon amount due to DPWD to finalize the incomplete transfer from 2014. A few participants also agreed to pick up some of the water not accepted by other participants. Upon review and discussion, the Board approved the Draft Agreement for Transfer from PID as follows:

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

E. 2018-19 Annual Additional Supplies Pool Program – Update

A 2018 WY Additional Supply Source Options Report was provided for the Board's review. Anthea reviewed a Rate Exhibit for the SJRECWA Transfer and noted that with the recently increased allocation, the rate for that water dropped by \$112/AF. She added that the SJRECWA was the last year of this agreement and would require renegotiation.

1. Yuba County Water Agency Long-Term Transfer Update – Board to Consider DRAFT Resolution Authorizing a 5-year Warren Act Contract in support of Program

Anthea gave a brief overview of the Yuba County Water Agency Long-Term Transfer. She discussed the options presented by the Bureau on how the water could be delivered, via Article 3 of the current CVP water service contract or under a Warren Act Contract. After review and discussion, Staff gave guidance to decline the Warren Act option and go with the CVP Water Service Contract. The Board declined signing the Warren Act Contract and advised Staff to receive the Yuba Transfer via the CVP water service contract as follows:

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

F. DPWD Remote Flow Monitoring Program – Update

Adam reported that a portion of the radio survey conducted was complete, with the remainder awaiting completion into the coming week. Once the results were received, the design could be finished, and environmental compliance could proceed.

1. NRCS EQUIP Funding Opportunity in Support of DPWD Water SMART Grant

Adam reported that Staff had been approached by the NRCS regarding EQUIP Funding specifically targeted to support Water SMART programs awarded to six Districts in the valley. Qualifying participants for DPWD would be notified by email and a meeting would be coordinated.

6. DRAINAGE ACTIVITIES

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

Adam reported that the last meeting he attended focused on upcoming changes to the Eastside order. Copies of the minutes from the May 1, 2018 SJVDA Board of Directors meeting and a draft schedule with a timeline of the changes was provided for review. He shared that by 2019, the Westside Order would mirror the Eastside Order, and that discussions on merging the NMP and FEP as one report was occurring. Anthea requested to get an update on how the Eastside Order was being implemented, specifically with domestic wells, and Adam indicated he would request one at the next meeting.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Adam reported that one of the items discussed at the meeting held on June 18th, was other stakeholder's definitions of unreasonable use, measureable objectives and acceptable subsidence rates. He provided a Northern & Central Delta-Mendota Regions GSP Descriptions of Undesirable Results report summarizing the descriptions of undesirable results. The main concerns in discussions was the drop in water levels, the drying up private domestic wells and degraded water quality. Selenium, Boron and Arsenic are items of concern for the District. Anthea shared that she would be contacting Woodard & Curran to start developing District's informational data base on wells and ground water activities within our District.

8. FINANCIAL MATTERS

A. 2017-18 Financial Audit Preparation Update

Anthea reported that much progress was being made in the reconciliation of the FY ending February 28, 2018 and had Jeremy Ware scheduled to perform the Audit within the next few weeks. She thanked Diane for her efforts in this process.

B. Treasurer's Quarterly Report for the First Quarter Ending May 31, 2018

Anthea provided the Quarterly Investments Report for the first quarter ending May 31, 2018 and reported that there were adequate reserves and accounts receivable to sufficiently meet normal budgetary requirements for the next six months, and would report to the Board if any extraordinary changes occur. The Treasurer's Quarterly Report for the First Quarter Ending May 31, 2018 was approved as follows:

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

C. Authorization of a Contract for Consulting Services with McCloud-Watts

Anthea reported that the District is required under GASB75 to complete an updated actuarial valuation of other post-employment benefits (OPEB) liabilities and is required to first implement it for its fiscal year ending February 2019. The valuation used a census of the employment pool and projects the liabilities into the future. The contract with McCloud-Watts would be \$5,000 for two years. After review and discussion, the Board authorized the Contract for Consulting Services with McCloud-Watts as follows:

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

Board Member Pete Lucich left at 10:22 a.m.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea provided Woodard & Curran's Progress Report and reported that the Modesto component was in the final completion process. She added that the District had received its first quarterly billing from Modesto and a few discrepancies had been addressed. She reported that Woodard & Curran was currently working on a second WIIN grant application and that the City of Turlock received the incidental Take Permit for the Swainsons Hawk, giving them the green light to continue. She provided a copy of Carollo's engineer's estimate of the Turlock component and shared that Turlock had received and opened eight bids for the project.

B. Orestimba Creek Recharge & Recovery Project – Update

Adam provided maps and pictures of the project for the Board's review. Anthea also reported that CalOES had submitted CCID's Grant Subapplication for FEMA Review, which would be used if the District(s) proceed with full expansion of the project.

C. Del Puerto Canyon Reservoir Project – Update

Anthea reported that AECOM was near completion of the PEFA and would update the Board at the July BOD meeting. She also reported that response from the USBR to the question of storing CVP water in DPCR had been scarce and that she was communicating now with the Deputy Regional Director Ali Forsythe, who seemed to be more responsive to the matter.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that the LVE Project received a Rank 2 score from the CA Water Commissions Prop 1 Process, and was also requesting to receive \$13 million in pre-funding from the WIIN Act.

E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update

Anthea shared that Del Puerto WD along with 5 other agencies had agreed to participate in a gaming exercise this project and that there would be upcoming modeling meetings in the near future.

F. Pacheco Reservoir Expansion Project - Update

Anthea noted that this project had the potential to provide storage for interested South-of-Delta agencies.

10. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort – Update

Anthea reported that the BOR had responded to District's request to convert from a Water Service Contract to a Repayment Contract. She provided and discussed a report showing the District's current CVP Capital obligation, and explained that a discount of half of the treasury rate reduced it from \$23,670,482 to \$21,013,271. She reminded the Board that there is a period of 3 ½ years to complete this effort as authorized by the WIIN Act, and that a prop 218 vote would have to take place if the District determined that paying off the capital and converting the Contract was to proceed. A white paper would have to be prepared and a consulting firm would have to be hired to move forward.

1. Board to Consider Professional Services Work Order for Prop 218 Consulting Services Related to the Contract Conversion Effort

After review and discussion of the 9D Contract Conversion Effort, the Board approved for Summers Engineering to prepare a Prop 218 Proposal as follows:

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

Board Member Bill Koster left at 11:01 a.m.

B. District Water Management Plan - Update

There was nothing to report on this item.

C. District Local Hazard Mitigation Plan – Update

There was nothing to report on this item.

D. Westside San Joaquin IRWM Region – Update

Anthea reported that Staff had been participating in the update of the Westside San Joaquin IRWM Plan, which is a document that supports planning and projects in the region as well as qualifying for grant funding. The update is necessary in order to achieve continued compliance with State guidelines. A Call for Projects had been received, asking agencies, community organizations, and the public to identify projects that could improve water management in the region for grant funding. The NVRWP was being submitted as one of the projects requesting, as well as DPCR, and the Orestimba Creek projects. July 12th is the deadline for these submittals.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the minutes of the 4/5/18 SLDMWA Board of Directors Meeting for the Board's review.

B. SLDMWA Strategic Planning Update

Anthea shared that the last BOD meeting was spent on a strategy session and that the SLDMWA had conducted interviews to select a recruiting firm to assist in their search for an Executive Director. Frances Mizuno is currently acting as the Interim Executive Director.

C. SLDMWA O&M Technical Committee Meeting & Tour - Report

Adam reported that he attended the SLMDWA O&M Technical Committee Tour and gave an overview on the current conditions of O'Neill Pumping/Generating Plant, the DMC and Jones Pumping Plant. Anthea shared that in a 10 year plan there was about \$65 million worth of extraordinary maintenance type activities.

12. MANAGERS REPORT

A. Federal Legislation – Update

Anthea reported there are currently no changes in the Fee Litigation for Senate Bill SB 1049. The District will continue to pay under protest.

B. State Legislation – Update

There was nothing to report on this item. Anthea referred the Board to meeting packet materials for their review.

C. SWRCB Fee Litigation - Update

There was nothing to report on this item. Anthea referred the Board to meeting packet materials for their review.

D. CA Water Fix – Update

There was nothing to report on this item. Anthea referred the Board to meeting packet materials for their review.

E. State & Federal Contractors Water Authority – Update

There was nothing to report on this item. Anthea referred the Board to meeting packet materials for their review.

F. SWRCB WQCP Activities - Update

There was nothing to report on this item. Anthea referred the Board to meeting packet materials for their review.

G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

There was nothing to report on this item. Anthea referred the Board to meeting packet materials for their review.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

An article pertaining to the NVRWP featured in Water Deeply created much interest and lots of calls to the District office from interested parties. Anthea reported attending a session hosted by CWA and held at TID regarding their FERC relicensing process and other issues.

14. CLOSED SESSION

There was nothing to report for Closed Session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

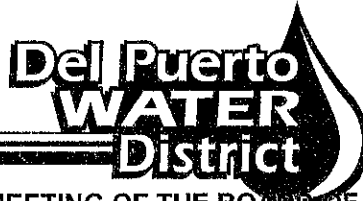
16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:51 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS
MAY 16, 2018
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:32 a.m. Board Members present were Jim Jasper, Zach Maring, Tom Dompe and Earl Perez.

2. OPPORTUNITY FOR PUBLIC COMMENT

Gene began the meeting by congratulating Anthea for the recent awards and most recently, receiving the Clair A. Hill Water Agency Award for Excellence on the District's behalf for the North Valley Regional Recycled Water Program. She mentioned that the Board should be congratulated as well, as they made the project possible. A short video of the award presentation would be shown later in the meeting. There was no other public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda. Anthea introduced Rick Iger of Provost and Pritchard who would be giving an update on the Orestimba Creek Recharge and Recovery Project for Item 9.B.

4. MINUTES FROM THE SPECIAL BOARD MEETING OF 2/28/18, REGULAR BOARD MEETING OF 4/18/18, ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT

The Minutes from the Special Board Meeting of 2/28/18, Regular board Meeting of 4/18/18, the Monthly Accounting Reports as of 4/30/18 (which were presented during the meeting and would be approved pending any edits provided by close of the day), and the Monthly Field Operations Report for the month of March 2018 were provided for the Board's review. The Board approved the four items as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that about 3,000 AF/day was being pumped through Jones with various restrictions in place. She also reported that on May 7th, a News Release for an allocation increase of 20% was announced, bringing the allocation up to 40% for the year. She also shared a statement from the SLDMWA, that despite the above-average quantity of water in storage, shortages continue.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 4/30/18

Anthea reported that April use, including one 500 AF transfer-out, was 5,224 AF. The 500 AF transfer-out was the obligation the District has on an annual basis to the Westlands Water District pursuant to the terms of the Settlement Agreement on the NVRWP. A forecast of 85,280 AF was projected to be available for the current water year (equivalent to a 65% allocation). The District has forecasted to use 61,800 AF with an estimated 17,135 AF for rescheduling into 2019-20. She reminded the Board that Reclamation had already proposed a cap on rescheduling and that Staff continued to engage Reclamation in discussion on their decision.

C. 2018-19 Groundwater Pump-In Program - Update

Anthea reported that there had been a delay in getting the final environmental document approved due to a comment letter, but that, the Bureau of Reclamation approved the FONSI on May 7, 2018 and that Staff was working to assemble a package for participating customers with information on the final environmental requirements per the FONSI, and the associated costs of participation under the newly implemented program.

- D. 2011-2014 Conserved Water Transfer – Report on Program Reconciliation
Anthea recapped the status of the 2011-14 Conserved Water Transfer (Reliable Water Supply Program) with the Board and explained that in spite of Patterson Irrigation District having new management over the last few years, she had kept in touch with them as to of the incomplete status of the program due to the unforeseen drought. PID's current GM, Vince Lucchesi and their BOD approved 500 AF to be made available for DPWD this year, and to work over the next 2 years to complete the remainder of the 2,183 AF that was not delivered in 2014. Staff would be informing the original program participants the availability of this supply and giving them the choice to accept or reject the water.

- E. Review and Consider Parameters for 2018 1-Year NVRRWP Turnback Program
Anthea reported that in April, the Board had approved and authorized Staff to notify customers that may not be interested in this year's NVRRWP supply, and who met certain qualifying criteria, about a turnback program. This had not been done as an allocation increase was subsequently announced and Staff felt it would cause District to take on unwarranted fiscal risk. Anthea shared that she would like to hold off on this program for the moment. After discussion, the Board approved holding off on any turnback program for the time being as follows:

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

- F. 2018-19 Annual Additional Supplies Pool Program - Update
Anthea provided a recently updated Additional Supplies Pool Requests List and reported that she expected to receive some late forms. As of May 15th, 7,924 AF of Additional Supplies had been requested by customers.

- G. DPWD Remote Flow Monitoring Program – Update
Adam reported that the contractors were out last week evaluating the area that will be covered by the Project. An initial report of the radio survey would be available to Adam by the coming week. Anthea suggested outreach to the landowners who will be benefitting from the construction of this project.

- H. NRCS EQUIP Funding Opportunity – Initial Report
Anthea shared that she was contacted in April by Diana Waller of NRCS, who indicated the possibility of bringing additional funds to District's service area through their EQIP program by leveraging the District's BOR Watersmart Grant project with additional resource benefits. Anthea reported that District submitted the request that could potentially fund projects like Tailwater Return, Irrigation Technology and High Efficiency Drip/Micro Irrigation systems. She noted that the projects would not be subject to prevailing wage.

6. DRAINAGE ACTIVITIES

- A. SJVDA/Westside San Joaquin River Watershed Coalition Report(s)
Adam provided the March 6th SJVDA Minutes for the Board to review. He reported that the May meeting focused more on salinity issues rather than nitrates as in prior years and believed would be the main focus for the coming years ahead.

7. GROUNDWATER MANAGEMENT ACTIVITIES

- A. Sustainable Groundwater Management Activities – Update
Anthea reported that Staff continued to work with the technical group and were in the beginning stages of outreach. She provided meeting minutes from the Technical Working Group Meeting, as well as a letter from Northern & Central Delta-Mendota Subbasins giving notice of their development of a GSP for the Board's review. She indicated she would soon be having the District's consultants, Woodard & Curran, starting data collection and development of District's data.

8. FINANCIAL MATTERS

A. Review/Approve Final Engagement Letter per 2018-19 Budget for Accounting Services to be Procured from Genske, Mudler & Co.

Anthea provided a service proposal from Genske, Mulder & Company, LLP, Certified Public Accountants, for special assistant services for general ledger accounting, starting within 10 days. After review and discussion, the Board approved the Accounting Services to be procured from Genske, Mulder & Co. to assist with Anthea's efforts in the accounting area in some higher level financial work as follows:

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

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that the city of Turlock put their bid out for the construction of the Turlock component and that proposals were due June 12, 2018 and that hopefully an award should be given at the Turlock City Council meeting on July 24, 2018. She provided the RMC/Woodard & Curran March 2018 Progress Report and a copy of the sign-in sheet from the May 10th NVRWP-Turlock Component Pre-Bid Conference for the Board to review. She added that Turlock was awaiting their SRF fund package to be delivered which could potentially provide all the funding. She reported continued delays in obtaining the Incidental Take Permit for the Swainson's Hawk, and provided a copy of a map showing the Swainson's Hawk survey area and reviewed it with the Board. To close the report, a short video of the Clair A. Hill Award presentation was played, and noted that the awards also entitled the District to present a scholarship of \$5,000 to a deserving student in the coming year.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea introduced Rick Iger of Provost & Pritchard who reviewed the Project's current construction status, Project Issues, Project Accounting and the next steps to be taken.

C. Del Puerto Canyon Reservoir Project – Update

Adam reported that a workshop between all the partners and AECOM to discuss the project and water costs, took place on May 2nd. At that meeting discussions focused on deliveries, water needs, alternative supply options, capital cost allocation approach, and grant funding took place. Anthea also reported that an issue had presented itself concerning storing CVP supplies outside the CVP place of use in an off-stream reservoir. She indicated a response had not yet been given by Reclamation but that if Reclamation was unwilling to address their water rights permits to make the change to allow CVP supplies to be stored outside of the CVP place of use, there would be no future storage on the westside projects. She added that a meeting with the Regional Director at ACWA provided the opportunity to request someone from his staff be assigned the task of looking into this issue and responding, and he had assigned his Deputy, Ally Forsythe to look into the matter and return with answers.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that District was currently a party to the Project and was being considered as a direct participant in the Supplemental Final EIR/EIS. She shared that previously, the California Water Commission determined the Public Benefit Ratios (BPR) for the Los Vaqueros Reservoir Expansion Project to be 1.77 (with funding of \$422.6 million), but a "post appeal eligible amount" of funding based on re-evaluation of the benefits had since been increased to 1.81 and the project was currently eligible for \$459 million in funding. She also reported that environmental studies are on track for the Project.

E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update

Anthea reported that the Temperance Flat Reservoir Project did not fare well in the Prop 1 process. There was also an issue on certain language in the proposed MOU pertaining to governance and she indicated would be sitting in a conference call later that afternoon to discuss the MOU and whether or not to continue this Project, or proceed without an MOU.

10. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort - Update

Anthea shared that the 90 day response period from the BOR was due to expire soon and she anticipated the response would merely acknowledge the District's current capital obligation, which she estimated was \$23 million. She reported that she would continue the efforts along with several other agencies in the area that have also expressed interest in the 9D Contract Conversion and would be seeking Financial Consulting Assistance to put together packages for District's customers to consider on whether or not to proceed. She indicated that although this process would lower water rates, the obligation would be prolonged as well, along with interest. Customer briefings were still planned for the end of summer and a decision point would have to be set up with the Board. She believed a Prop 218 process would be required, as committing to pay off financing would require an assessment on the land.

B. District Water Management Plan Update

Adam reported that the WMP had been complete for a few months and was recently sent to the Federal Register. A 30 day comment period would begin once it arrived, which was estimated to be in the coming week. Email correspondence supporting that action was provided for the Board's review.

C. District Local Hazard Mitigation Plan – Update

Adam reported that the District Local Hazard Mitigation Plan was substantially complete and that he would provide it for Anthea's review once more before the final version is sent to CAL OES for approval.

D. Westside San Joaquin IRWM Region - Update

Anthea reported that she had been participating in the working group which is updating the plan to comply with current IRWM Region guidelines, goals and objectives. A Meeting Memorandum from Woodard & Curran, a Memo from SLDMWA, a Meeting Agenda from Woodard & Curran's May 15th meeting, and a list of potential projects with Goals and Objectives were provided for the Board's review.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea reported that the SLDMWA had not yet held their monthly meeting, therefore there were no minutes to report on or provide. She shared that acting director, Jon Rubin, announced his departure. Strategic planning was already taking place and that a recruiting firm would be hired to begin the search for a new Executive Director for the SLDMWA.

B. SLDMWA Strategic Planning Update

This item was discussed in item 11.A.

12. MANAGERS REPORT

A. Federal Legislation – Update

Anthea reported that Ken Calvert has proposed legislation in the Omnibus Bill that indicated that "nobody can sue California Water Fix".

B. State Legislation – Update

Adam shared that a presentation by Summers Engineering's Dave Cory, regarding CVSalts was given at the SJVDA meeting and reported that discussion on the SB 623 issue on whether or not they should support it was tabled until the June 5th meeting. After review and discussion, the Board guided Staff to communicate with the SJVDA that Del Puerto Water District is not in support of the SB 623.

C. SWRCB Fee Litigation - Update

There was nothing to report on this item.

D. CA Water Fix – Update

Anthea reported that as of recently, the State Agencies were moving forward with different agreements that would set up a financing entity and construction entity, to promote the furtherance of the development of the California Water Fix. She added that DWR had already re-organized staffing to place specific people in charge. She shared that in order for the State Water Contractors to fund "water fix", the State Water Contract have to be amended and an ongoing series of public negotiations with DWR on contract amendments were occurring to extend the contracts to 2085, allow for 50 year financing of the CWF, and

to recognize the ability of State Water Project Contractors to do long term transfers of allocation. She shared that the State Water Project wants to move forward, but have only exempted the North-of-the-Delta State Water Project Contractors, and not the few SOD SWP Contractors who have expressed reservation, which could currently become a legal battle in the near future. She also reported that no Federal Contractors are participating, but the BOR was still party to the State Board proceedings to get the petition for the Change Point of Diversion.

E. State & Federal Contractors Water Authority – Update

Anthea reported that SLDMWA Staff was still working with SFCWA to try to dissolve the agency and come out without liability. There was no other updates.

F. SWRCB WQCP Activities - Update

Anthea shared that Phase II had begun and there are already proposals for voluntary settlements with those affected by it. She had yet to see the language but the Governor and policy people are pushing the districts and agencies to get along rather than have the State Board issue their orders. There was nothing further to report on this item.

G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

Anthea provided the meeting presentation on “Projects to Advance Water Supply” for the Board’s review. She reported that the Bureau is requesting to re-initiate consultation with the agencies on the long-term operations of the CVP & SWP. She indicated that the good in this is that their notice of intent states that they want to look at things that advance Reclamation’s ability to deliver more water and generate more power within the CVP. A 3 track process which includes workshops was in process.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

There was nothing to report.

14. CLOSED SESSION

There was nothing to report for Closed Session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

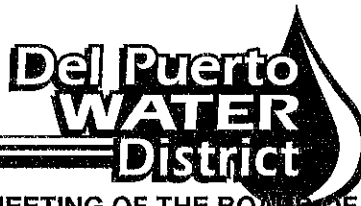
16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:12 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



REGULAR MEETING OF THE BOARD OF DIRECTORS

APRIL 18, 2018

MINUTES

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:40 a.m. Board Members present were Jim Jasper, Zach Maring, Bill Koster, and Earl Perez.

2. OPPORTUNITY FOR PUBLIC COMMENT

Gene welcomed Dave Van Elderen, a District landowner, to the meeting. Mr. Van Elderen made comments regarding carryover supplies, the way those supplies are administered under the rescheduling guidelines, to which the Board and Staff provided responses and explanation. No further comments were made.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea reported that the consent calendar would be open session and that minutes from the 2/28/18 Meeting were not yet ready for approval. She also requested to take Item 9.C. when Jon Roadifer of AECOM called at approximately 9:30 a.m., to accommodate him. Additions and Revisions to the Agenda were approved as follows:

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

4. MINUTES FROM THE SPECIAL BOARD MEETING OF 3/13/18, REGULAR BOARD MEETING OF 3/21/18, ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT

The Minutes from the Special Board Meeting of 3/13/18, Regular Board meeting of 3/21/18, the Monthly Accounting Reports as of 3/31/18 (which were presented, reviewed and discussed during the meeting and would be approved pending any edits), and the Monthly Field Operations Report for the month of March 2018 were provided for the Board's review. The Board approved the four items as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided the April Project Operations Update and reported that Jones Pumping Plant was down to one unit due to the Salmon BiOp which limits exports. She also added that the California Aqueduct would be shut down for 40 days for liner repairs near O'Neill Forebay. She shared that a potential Allocation increase might occur which she guessed would bring the current allocation to at least 30-35%. The Estimated CVP Operations March 50% and 90% Exceedance Reports were provided and reviewed with the Board as well.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 1/31/18

Anthea reported that March use was 1,093 AF, NVRWP Pumping totaled 1,078 AF, leaving an estimated 10,757 AF for rescheduling into the 2019-2020 water year based on current Supply forecasts.

C. 2017 Rescheduling Update

Anthea provided a copy of a letter to the BOR requesting to reschedule 11,850 AF of its total 60,877 AF of 2017 Undelivered Project Water.

D. 2018-19 Groundwater Pump-In Program - Update

Anthea reported that the final Pump-In Program contract was recently presented to Staff. She added that an application and information packet would be drawn-up for those customers interested in participating,

with an outline of the substantial changes made to the program. Also provided was a Public Notice for Stanislaus County's Discretionary Well Permitting and Management Program Draft PEIR that was reviewed and discussed with the Board.

E. Review and Consider Parameters for 2018 1-Year NVRRWP Turnback Program

Anthea provided a Staff Report/Action Item Request for a proposed 2018-19 NVRRWP 1-Year Turnback Option. She gave background information, reviewed the issue and recounted the Board's previous guidance of making it a 1 year and not a long-term option. After review and discussion, Staff recommended the Board approve the 1-year Turnback Program available only to those customers who paid their 1st installment. The concept was then that customers would not be billed for the 2nd installment and refunded their first installment at such time as the Pool showed no risk of loss to the District based on the full utilization of the Turned-back supply. Approval of the 2018 1-Year NVRRWP Turnback Program was as follows:

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

F. 2018-19 Annual Additional Supplies Pool Program - Update

Anthea reported that Additional Supplies Signup Applications would be mailed in the coming week and provided a Draft Water Year 2018 Additional Supply Source Options Report with several scenarios based on allocation percentages and indicated that this year's Additional Supplies would be priced about \$200-\$300.

G. Board to Consider Transfer to AEWS D Under 5-Year Banking/Exchange Program

Anthea reported that she had received communications from Arvin-Edison Water Storage District, where they indicated they could take delivery of an additional 1,376 AF of transfer water for February, as well as accommodate further 1:1 exchange in 2018 under the District's 5-year agreement. After review and discussion, the Board approved the increased Transfer to AEWS D and the exchange under the 5-Year Banking/Exchange Program of up to 3,000 AF as follows:

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

H. DPWD Remote Flow Monitoring Program – Update

Adam reported that Staff had executed the contract with Sierra Controls, LLC to perform the site surveys. There was nothing further to report.

6. DRAINAGE ACTIVITIES

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

Adam reported that several growers in the region had not submitted their SJVDA 2016 Reports, which included growers from Del Puerto Water District. He indicated that he had made contact and that all of the District's growers were now up to date on their filings.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Staff provided the SLDMWA SGMA Report for March 2018 and Adam reported that the most recent meetings pertained to management areas to be established per the GSP.

8. FINANCIAL MATTERS

A. 2018-19 Water Year Initial District Data-Review

Anthea shared a Revised Summary of 2018 Water Year Initial District Data for the Board's review. She reported that because of the re-allocation of some of the un-requested carryover water from other districts, District's eligible amount changed from 11,609 AF to 11,650 AF, as a few customers had returned their allocation, therefore reducing the Quantity Billed as Pre-Payments to Customers from 26,085 AF to 24,750

AF. The Watershed Coalition Charges had also been corrected from 38,152 to 39,013 acres as the result of a request from Board Member Jim Jasper to double check the numbers.

B. CalPERS Fact Sheet on Recent Changes

Anthea provided a CalPERS Circular Letter pertaining to Required Employer Contribution Impact due to Changes in Actuarial Assumptions and reported that CalPERS adopted new actuarial assumptions and new strategic asset allocation and the impact these changes were expected to have on employer contribution requirements. She shared that District participates in two of the two of the pools and reviewed the changes and potential impacts from these changes. She added that their funded status had increased from 68.3% in 2015-16 to 71.0% by December 2017.

C. Treasurer's Quarterly Investment Report for the 4th Quarter ending 2/28/18

Anthea presented and reviewed the Treasurer's Quarterly Investment Report for the 4th Quarter ending 2/28/18. As the District's Treasurer, she shared that District had adequate cash and liquid funds to meet its budgetary obligations for the next 6 months under normal budgetary conditions. After review and discussion the Treasurer's Quarterly Investment Report for the 4th Quarter ending 2/28/18 was approved as follows:

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

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

1. Review and Consider Change Order for Lemon Avenue Road Rehabilitation

Anthea provided the February 2018 Progress Report from Woodard & Curran and reported that the some final "close out" items were being completed on the Modesto component of the project. Turlock should have a bid out for their portion of the pipeline by the end of the month. She added that there was a change order pending outside of the approved budgeted amount pertaining to the Lemon Avenue road rehabilitation improvements in the amount of \$47,300. After review and discussion the Board approved payment of 50% of the \$47,300 for said change order in the amount of up to \$23,650.00 as follows:

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

B. Orestimba Creek Recharge & Recovery Project – Update

Adam provided a Project Update Report for the Board to review and reported that the project had been slightly delayed due to rains but was currently building up the Eastern levee and ditch and were waiting for the Northern ditch to dry out to begin work in the northern area. Anthea reported that the budgeted amount of the project did not include the bidding and project management task, therefore a change order had to be added to the project in the amount of \$48,550, for which 50% would be covered by the District. After review and discussion, the Board approved the change order in the amount of \$24,225 as follows:

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

C. Del Puerto Canyon Reservoir Project – Update

John Roadifer called to discuss the Del Puerto Canyon Reservoir Preliminary Economic Feasibility Analysis Draft Simplified Analysis Results, which covered such key factors as project cost, grant funding impacts, and how changed operations impacts would impact pricing. John was thanked for his call-in by the Board and Staff.

D. Los Vaqueros Reservoir Expansion Project - Update

Adam provided a copy of District's Participation Approach to LV Reservoir Participation and reviewed how the District would potentially utilize an expanded LVR. Anthea reported that having DPWD directly named in their Supplemental Environmental Document would allow the District to participate in the future project, which would then allow the District to share in storage capacity as well as use of the Transfer-Bethany Pipeline. The final supplemental EIR/EIS is scheduled to be completed by November or December of 2018. She added that there were other Districts South of the Delta that were also participating in this project.

E. Temperance Flat Reservoir Project Activity Agreement & MOU – Update

Anthea reported that the Board had approved the Temperance Flat Reservoir Project Activity Agreement & MOU last month. Staff had been working with the SLDMWA and their legal counsel to try to get the edits that would give a more equal footing on reservoir operations to that agreement accepted by the Friant partners, which they had yet to agree to. Conversations pertaining to not executing the Activity Agreement or MOU, rather participating in the gaming option only, were taking place. This would allow District to pay the consultants directly and give instructions on how the Districts would like to fit in the Reservoir operations and receive a preview of how participation might look.

10. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort - Update

Anthea reported that Staff was currently waiting for a response from Reclamation to initiate the process of the conversion. There is a 90 day window for a response that began on February 28, when the letter was originally mailed. She added that other districts were also pursuing this conversion and that DPWD would be working with them on analyzing options.

B. District Water Management Plan Update

Anthea reported that Staff was awaiting the Federal Register Process and the Plan and its edits were in substantial completion.

C. District Local Hazard Mitigation Plan – Update

Adam shared that he was currently working updating the LHMP with Staff edits.

D. Westside San Joaquin IRWM Region - Update

Anthea provided the IRWM Report for March 2018 and reported that the District would be participating in the Plan Update which would include a new call for projects and if new grants become available, District would then be eligible to apply for them if it adopts the final plan.

E. LAFCO Application Requesting Detachment of Certain Lands Receiving Duplicative Service From Central California Irrigation District (Stanislaus County)– Update

Anthea reported she was currently working on these detachments and would provide further updates at a future Board Meeting.

F. LAFCO Application Requesting Detachment of Certain Lands Receiving Duplicative Service From Santa Nella County Water District (Merced County)– Update

Anthea reported she was currently working on these detachments and would provide further updates at a future Board Meeting.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The SLDMWA Minutes and O&M Report were provided for the Board's review.

B. SLDMWA Strategic Planning Update

Anthea reported that she and Earl Perez attended a special SLDMWA meeting earlier in the week and shared that the Water Authority had hired a Strategic Planner to assist with planning and staffing realignment in the Agency. She indicated that the consultant would be communicating with Board Members to provide feedback on the SLDMWA in terms of representation and development of the Strategic Plan. The goal is to have it completed by September 2018. Anthea also reported that the SLDMWA Board Vice-

Chairman had asked her to be a SLMDWA Representative on the State and Federal Water Contractor's Agency, and that she accepted.

- C. San Luis Transmission Project - Update
There was nothing to report on this item.

12. MANAGERS REPORT

- A. Federal Legislation – Update
There was nothing to report on this item.
- B. State Legislation – Update
There was nothing to report on this item.
- C. SWRCB Fee Litigation - Update
There was nothing to report on this item.
- D. CA Water Fix – Update
Anthea provided a letter from Governor Brown asking Metropolitan Water District to support the State Water Project. She reported that Metropolitan Water District voted to take a majority stake in the Project.
- E. State & Federal Contractors Water Authority – Update
A memo from Jon Rubin to the SLDMWA BOD regarding SFCWA/Science Investments and a copy of a Withdrawal of Notice of Withdrawal from the State & Federal Contractors Water Agency were provided for the Board's review. She explained that the Withdrawal was being rescinded in order for the SLDMWA to remain represented on the SFCWA Board through the determination of Assets and Liabilities in the effort to close the agency.
- F. SWRCB WQCP Activities - Update
There was nothing to report on this item.
- G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update
A copy of an April 3rd presentation on the background, drivers and process for the Re-initiation of Consultation was reviewed with the Board.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea reported that the documentary "Beyond the Brink" was acquired by the media company Freestyle. She also provided a press release from Assemblymember Adam Gray, demanding action on reformation of the State Water Board.

14. CLOSED SESSION

There was nothing to report for Closed Session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS
MARCH 21, 2018
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:31 a.m. Board Members present were Jim Jasper, Zach Maring, Bill Koster, Pete Lucich and Earl Perez.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea shared with the Board that she had recently reached her 18th year of employment with the District on March 14th, the same date as the NVRWP Dedication. She also introduced guest Jon Rubin, the Acting Executive Director and General Counsel to the SLDMWA.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea reported that minutes from the last meeting would not be available until the April BOD Meeting, and that Closed Session would take place to receive a report from Jon Rubin on the California Water Fix. She also requested that Agenda Item 12 be taken after Item V to accommodate Jon's schedule. Additions and Revisions to the Agenda were approved as follows:

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

4. CONSENT CALENDAR

Minutes were postponed until the 4/18/18 BOD Meeting. The Consent Calendar was approved as follows:

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

5. REPORT FROM CLOSED SESSION

Anthea reported that the Board met in Closed Session to receive a report on participation option developments regarding the California Water Fix, and that no reportable action was taken.

6. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

The SLDMWA March Operations Update was provided and reviewed with the Board. Subjects discussed included declining Delta Inflows, Millerton Releases per the SJRRP, Shasta and Folsom Storage, CVP Demands, Rescheduled Water and the 2018 CVP Allocation.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 1/31/18

Anthea reported In-District use for the month of February at 3,180 AF, 19,998 AF of transfers out, total use for the end of the year of 97,403 AF, and 60,877 AF remaining. Of that, 11,608 AF was requested to be scheduled into 2018-19.

C. 2017 Rescheduling Update

Of the District's 11,608 AF share of the USBR's 150TAF cap on Rescheduled Supplies, 10,004 AF was allocated to DPWD customers and 1,604 AF was allocated to reschedule Jan/Feb NVRWP supply.

D. 2018-19 Groundwater Pump-In Program - Update

Adam provided a copy of a letter that went out to customers pertaining to the new requirements on the renewed program. He reviewed the new zoning areas and explained that each had their own sets of criteria as well as pumping limitations. He also provided a copy of the DMC Non-Project Water Pump-In Program Monitoring Plan for the Board's review.

E. Review and Approve 2018-19 Annual Additional Supplies Pool Program Guidelines/Rate

Antea provided a Water Year 2018 Additional Supply Source Options Draft and reviewed each option with the Board. After review and discussion, the Board guided Staff to set the rate at approximately \$275/af and approved the notification of the 2018-19 Additional Supplies Pool as follows:

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

F. DPWD Remote Flow Monitoring Program – Update

Adam provided the Agreement for Services between the District and Sierra Controls, LLC. to implement the Supervisory Control and Data Acquisition (SCADA) system for the District's Remote Monitoring Program. Included in the scope of work are a communications network, remote terminal units (RTU) and an office computer system.

G. Review and Approve Scope of Services and Fee Agreement with Summers Engineering in Support of CA Aqueduct Temporary Turnout Development Project for the benefit of Shiraz Ranch

Anthea reported that over the past year, Staff had been working with on preliminary approvals to develop a temporary turnout for Shiraz Ranch to move CVP water through the CA Aqueduct to CVP Lands. She noted that the District would be the lead agency, however Shiraz Ranch will be reimbursing the District for all costs associated with the project. The DWR cost estimate was projected to be \$60,000 for which Shiraz Ranch had already placed a \$20,000 deposit and she indicated that more costs will be associated with the project, including the engineering costs from Summers Engineering, which had yet to be received. The customer would then pay in advance for all costs. After review and discussion, the Board approved the execution of a Scope of Services and Fee Agreement with Summers Engineering in Support of CA Aqueduct Temporary Turnout Development Project for the benefit of Shiraz Ranch as follows:

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

7. DRAINAGE ACTIVITIES

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

Staff provided the recent SJVDA agenda and minutes as well as a summary of the recently adopted SWRCB order on the Eastside SJR WDR.

8. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea reported that Staff had been working on the agreements supporting cost sharing and development of the GSP, and that Data requests had been received for OFWD and DPWD. Adam reported on Coordination Committee discussions on well locations, well monitoring, and the current GSP Status. The SLDMWA SGMA Report for the month of February was provided and discussed with the Board.

1. Board to review and consider approval of Delta-Mendota Subbasin Coordination and Cost-Sharing Agreement(s)

Copies of the Draft Delta-Mendota Subbasin Coordination and Cost Sharing Agreements were provided for the Board's review. Anthea reported that she and District Counsel, Ernest Conant, had been working on the Coordination and Cost Sharing Agreements for coordinating the various GSA's within the Delta-Mendota Subbasin. These Agreements are to comply with the requirements

of SGMA in coordinating the development and implementation of the GSPs and also provide District a format under which costs could be shared in the overall administration of SGMA and coordination within the basins. A monitoring network and gathering of data were some of the items covered in the agreements. After review and discussion, the Board approved the Delta-Mendota Subbasin Coordination and Cost-Sharing Agreements as follows:

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

9. FINANCIAL MATTERS

A. 2018-19 Water Year Initial District Data-Review

Anthea reported that the end of February, there was 60,877 AF of water remaining and 11,609 AF of that was allowed to be carried over to the 2018-2019 Water Year. As of the day prior, no customers had declined or reduced their fair share of carryover allocation. Customer accounts were allocated 10,004 AF leaving 1,604 AF to reschedule NVRRWP supplies pumped in January/February. Based on the current irrigable acreage, 43,164 acres were billed the 2018-19 Water Availability Charge of \$42/AC, and Water Cost Prepayments were billed on 26,085 AF. Also billed were 38,152 acres participating in the LTILRP at \$5.60/AC.

10. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that the City of Modesto had approved the easement for the City of Turlock to construct their portion of the NVRRWP pipeline on Modesto property, and that Turlock was to let the project for bid within the next few weeks. Once a contractor is hired, it will take about a year to complete the Turlock component.

1. Review and Consider Resolution Authorizing Acceptance of California Natural Resources Agency Grant (Prop 1) in the amount of \$26,695,480 for the Purchase and Conveyance of NVRRWP Supplies on Behalf of Grassland Water District.

A draft California Natural Resources Agency Grant Agreement (prop 1) was provided for the Board's review. Anthea reported that the State had agreed to naming the District as the grantee, which would allow District to submit an invoice for the full projected amount of water over the life of the project, receive all the money upfront to place in trust for the benefit of GWD, and subsequently close the grant, which would make reporting requirements simpler than if the money were released to pay monthly refuge deliveries of the life of the project. After review and discussion, the Board approved the Resolution Authorizing Acceptance of California Natural Resources Agency Grant (Prop 1) in the amount of \$26,695,480 for the Purchase and Conveyance of NVRRWP Supplies on Behalf of Grassland Water District, subject to final legal review, as follows:

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

B. Orestimba Creek Recharge & Recovery Project – Update

Adam reported that construction of the ponds was postponed until the coming week due to recent rains. Nothing else was reported on this item.

C. Del Puerto Canyon Reservoir Project – Update

1. Review and Consider AECOM Draft Scope of Services and Fee Estimate for Phase 2 Feasibility Study and Draft CEQA Documentation

Adam provided the Del Puerto Canyon Reservoir – Scope of Services and Cost Proposal for Phase 2a Feasibility Study and Draft CEQA Documentation and reviewed the scope of services, which included a Preliminary Economic Feasibility Assessment, Topographic Surveys, Field Investigation,

Utility Relocations Conceptual Design, Development of Public Draft CEQA Documentation and Project Management. The proposed contract total was \$2,310,000 and would be split with the project partners. Staff recommended the Board approve continuing based on the condition of equal participation from the project partners. After review and discussion, the Board guided Staff to gather more information about partner participation commitments and present it at the April Board meeting before a decision could be made.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea shared that by the end of the week, Staff would be submitting the District's participation criteria in the expansion of Los Vaqueros Reservoir to Contra Costa Water District, to be included in the Revised Environmental Documents that should be completed by November 2018. Anthea shared that the criteria would likely include reserving a fixed amount of storage capacity on an annual basis to allow water to be stored in the winter and moved in the spring, conveyance capacity for future transfer water to be moved through the Transfer Bethany Pipeline to the California Aqueduct.

E. Review and Consider SLDMWA Temperance Flat Reservoir Project Activity Agreement & MOU

Anthea provided the SLDMWA Temperance Flat Reservoir Project Activity Agreement. She explained that the SLDMWA Board authorized the Authority to enter into a Temperance Flat Activity Agreement if the Temperance Flat MOU was finalized to the satisfaction of the participating agencies and the SLDMWA Board, both of which the District inclined participation for the next year with the stipulation that there be four or five participants in the AA and costs were shared equally. After review and discussion, Staff recommended District's participation with the recommended stipulations and the Board approved the recommendation as follows:

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

11. ADMINISTRATIVE ACTIVITIES

A. 9D Contract Conversion Effort - Update

Anthea reported that after the February Board meeting and following the Board's guidance, Staff sent a letter to the Regional Director requesting a conversion of the District's Water Service contract to a Repayment Contract. After receiving the amount due for Capital Repayment from the USBR, a financial analysis will be prepared and customer workshops to provide information on the conversion will be scheduled. She believed the conversion may require Prop 218 landowner vote.

B. District Water Management Plan Update

1. Review and Approve Resolution Authorizing an Addendum to the District's 2017 Water Management Plan to be Submitted to the Dept. of Water Resources Supporting the Agricultural Water Management Plan Requirements of SBX7-7

Staff provided a Resolution Authorizing an Addendum to the District's 2017 Water Management Plan to be submitted to the Dept. of Water Resources Supporting the Agricultural Water Management Plan Requirements of SBX7-7. After review and discussion, the Board approved the Resolution Authorizing an Addendum to the District's 2017 Water Management Plan to be Submitted to the Dept. of Water Resources Supporting the Agricultural Water Management Plan Requirements of SBX7-7 as follows:

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

C. District Local Hazard Mitigation Plan – Update

Adam reported that Staff was in the process of making editorial changes to the plan and would present it in the April Board Meeting.

D. LAFCO Application Requesting Detachment of Certain Lands Receiving Duplicative Service From Central California Irrigation District (Stanislaus County)– Update

Anthea recapped a previous on the parcels that needed to be detached through LAFCO due to duplicative service from DPWD and CCID. The recently scheduled LAFCO meeting was cancelled, and she was working to get the application finished to submit before the April Meeting.

E. LAFCO Application Requesting Detachment of Certain Lands Receiving Duplicative Service From Santa Nella County Water District (Merced County)– Update

Anthea mentioned that she had been contacted by Santa Nella County Water District regarding parcels that receive duplicative service from DPWD and SNCWD, although no water has ever been allocated or served to those parcels from DPWD. She indicated that she would gather more information on how to pursue an administrative fix, but believed the District would have to go through a LAFCO detachment in Merced County.

F. Board to Consider Memorial Donation for Board Member John Escobar

Anthea reported that the Newman-Crows Landing School District was dedicating the Crows Landing baseball field in honor of Board Member John Escobar and will be naming it the John Escobar Memorial Field. Anthea contacted the community organizer in charge of the youth baseball league and asked if the District could assist in any way to honor John Escobar. They indicated that the children were in need of equipment and Anthea suggested a donation be made in his name. She added that she would be available to present the check and that if anyone from the Board was interested in joining her, the ceremony would be Saturday, March 24th. After discussion, the Board approved a donation in the amount of \$750 in honor of Board Member John Escobar as follows:

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

12. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the SLDMWA BOD Minutes for January 16, 2018, O&M Report for February 2018, a Shasta Temperature and Delta Smelt Science Plan Memos. She briefly discussed each of the items.

B. SLDMWA Staffing Update

Jon Rubin of the SLDMWA gave an overview of the Authority's current Staffing situation as well as current operations. A memo providing information on the SLDMWA officer positions was also provided for the Board's review.

C. San Luis Transmission Project - Update

An article published in Public Utilities Fortnightly pertaining to the San Luis Transmission Project was provided for the Board's review. Frances Mizuno and Dan Pope were interviewed for the article, along with Anthea.

13. MANAGERS REPORT

Anthea reported that the City of Patterson had released their Water Master Plan Public Draft for comments, and reported that the District wrote a letter encouraging the City to thoroughly consider implications of its plan on the neighboring agencies, particularly in light of expected future conditions under SGMA. A Stanislaus County Public Notice to Extended Public Review Period Draft EIR for the Crows Landing Industrial Business Park was also noted.

A. Federal Legislation – Update

There was nothing to report on this item.

B. State Legislation – Update

Anthea provided a comment letter from the SLDMWA on the SWRCB's proposed regulations prohibiting wasteful water uses. She expressed concern that a move to move that restrictions on the agricultural side

if this type of regulation passed. Also provided was an article pertaining on a new poll showing that 73% of Californians oppose a drinking water tax.

C. SWRCB Fee Litigation - Update

There was nothing to report on this item.

D. CA Water Fix – Update

Reports on this item were received in closed session.

E. State & Federal Contractors Water Authority – Update

Anthea provided email correspondence pertaining to assets and liabilities in SFCWA. She shared that the SLDMWA was working to ensure that departure from SFCWA doesn't result in any unfunded long term liabilities with CalPERS.

F. SWRCB WQCP Activities - Update

There was nothing to report on this item.

G. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

There was nothing to report on this item.

14. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea shared that Ethics Training for Local Officials was scheduled for Thursday, March 29th in Modesto for those Board Members interested. Also included was an article on the Resnick family and California Water.

15. CLOSED SESSION

16. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

17. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:18 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



**SPECIAL MEETING OF THE BOARD OF DIRECTORS
MARCH 13, 2018
MINUTES**

1. Call To Order

President Gene Bays called the meeting to order at 8:36 a.m. Board Members present were Pete Lucich, Bill Koster, Jim Jasper, Earl Perez and Zach Maring.

2. Closed Session

Upon the Call to Order, the Board of Directors went into closed session to receive a Public Employee Performance Evaluation for the District's General Manager. Upon return from Closed Session, Anthea reported that the Board took no reportable action.

3. Oral Report Of Final Action Recommendation For Local Agency Executive Compensation

Anthea reported that the Board of Director's Recommendation for salaries and benefits related to the District's Executive Compensation for the 2018-19 water year totals \$270,191.00.

4. 2018-19 Administrative Activities Budget – Staff Report Update On Final Draft

Anthea provided the Board a brief presentation on the 2018-19 Administrative Activities Budget in its final version.

The meeting went into recess until 9:00 a.m. for the Landowner Workshop Registration. President Gene Bays called the Landowner Meeting to order at 9:35 a.m., which was opened with the Pledge of Allegiance and introductions.

5. 2017-18 Review – Highlights and Challenges

Anthea gave a presentation on the highlights and challenges of the 2017-18 Water Year, which included a 100% CVP allocation and the completion of the Modesto Component of the NVRWP.

6. 2018-19 Operations – Administrative Activities and Water Supply

Anthea gave a presentation on the Administrative Activities and Water Supply for the 2018-19 Water Year, which included topics such as Water Operations & Supply and the District's Administrative Budget.

7. Regulatory Updates

a. Long-Term Irrigated Lands Program

Adam Scheuber gave a presentation on the Long-Term Irrigated Lands Program and recent regulatory updates that would impact the District's customers in the future.

b. Sustainable Groundwater Management Act

Adam Scheuber gave a brief presentation and update on the Sustainable Groundwater Management Act.

8. Supply Development Program Update

a. Orestimba Creek Recharge and Recovery Project

Adam gave an update on the Orestimba Creek Recharge and Recovery Project.

b. Del Puerto Canyon Reservoir Project

Adam gave a brief presentation on the Del Puerto Canyon Reservoir Project.

- c. Los Vaqueros Reservoir Expansion Project
Anthea gave a presentation on the Los Vaqueros Reservoir Expansion Project
- d. North Valley Regional Recycled Water Program
Anthea gave a presentation on the NVRRWP.

9. Manager's Report – Planning for the Future

Anthea provided an overview of the District's SLDMWA Activities, recent Federal & State legislation pertinent to the District, the California Water Fix, the SWRCB WQCP, the USBR's negotiations with DWR, and the USBR's re-initiation of consultation on the long-term ops of the CVP and SWP.

- a. Overview of "Bigger Picture" areas of concern
Anthea reported on the areas of concern in the District.

- b. CVP Contract Conversion Effort

An overview of the District's CVP Contract Conversion Effort was introduced to the Landowners/Customers in attendance, with Anthea explaining that the District's Board had authorized the initiation of the effort at its February Board meeting, as legislated under the WIIN Act. She then reviewed the basic steps to the conversion effort, and noted that for the Board/Customer Landowner Workshops would be held on the subject in July/August 2018.

10. Question & Answer Session

A period of time was given for questions and answers.

11. Adjourn to North Valley Regional Recycled Water Program – Modesto Component Dedication

The meeting was adjourned at 11:24 a.m. and the attendees were all invited to re-convene at the NVRRWP outfall facility on the DMC for the dedication of the Modesto component.

Respectfully submitted,



Anthea G. Hansen
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS
FEBRUARY 28, 2018
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea introduced Jim DeMartini, District 5 Supervisor and current Chairman of the Board of Supervisors for Stanislaus County, who was making his annual visit to the District.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda, however Anthea shared that a Public Hearing would be held to consider comments on proposed additions to the District's USBR approved Agricultural Water Management Plan.

4. MINUTES FROM THE SPECIAL BOARD MEETING OF 1/24/18, ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT

The Minutes from the Special Board Meeting of 1/24/18, the Monthly Accounting Reports as of 1/31/18 and the Monthly Field Operations Report for the month of January 2018 were provided for the Board's review. The Board approved the three items as follows:

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

5. PUBLIC HEARING TO CONSIDER COMMENTS ON PROPOSED ADDITIONS TO THE DISTRICT'S USBR APPROVED AGRICULTURAL WATER MANAGEMENT PLAN

Board President Gene Bays opened the Public Hearing, gave an introduction and requested Anthea Hansen and Adam Scheuber give a Staff presentation pertaining to the District's Agricultural Water Management Plan update. After the presentation, a period of time was granted for questions and requests for clarification from the Board as well as from the public (no members of the public were present). Hearing no questions or comments from the Board of Directors or the public, Board President Gene Bays declared the Public Hearing was closed. There were no comments to report.

6. PUBLIC HEARING TO REVIEW THE DISTRICT'S LOCAL HAZARD MITIGATION PLAN UPDATE

Board President Gene Bays opened the Public Hearing, gave an introduction and requested Adam Scheuber give a presentation pertaining to the District's Local Hazard Mitigation Plan Update. After the presentation, a period of time was granted for questions and requests for clarification from the Board as well as from the public (no members of the public were present). Hearing no questions or comments from the Board of Directors or the public, Board President Gene Bays declared the Public Hearing was closed. There were no comments to report.

7. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided the SLDMWA February Project Operations Update and reported that an extremely dry January caused demands to pick up and in order to meet demands within the current export criteria, San Luis Reservoir storage was in use, causing the reservoir not to fill. She shared that recent forecasts indicate 3 months of the 2018 summer to be at minimal pumping, which could potentially lead to restrictions on daily deliveries. Anthea indicated that Staff was considering all resources to try develop 2018 water supplies, and a Supplemental Supply Pool Draft will be presented at the March 2018 Board of Directors Meeting. She felt District would have ample supply for its growers. A copy of the BOR News Release was provided

showing a 20% Ag Allocation, giving the District 28,042 AF, and she added that the 3.1 inches/acre, from the NVRWP would also be allocated to grower's accounts.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 1/31/18

Anthea reported In-District use for the month of January at 2,160 AF, 14,798 AF of transfers out, total use year-to-date of 76,147 AF, with an estimated 52,442 AF remaining to be potentially scheduled into 2018-19, however the USBR cap on that rescheduled water will bring the District's allowable total down to 11,609 AF.

C. DMC Pump-In Program Environmental Review – Update

Adam provided the DMC Non-Project Pump-In Program: List of Agreed Upon Criteria for the 2018-2023 Monitoring Program, and reported that based on the criteria, District's growers would be subject to more stringent program requirements, and that total pumping allowed to the District would be limited to 10,000 AF/YR. In addition, water quality testing frequency would be increasing, depth to groundwater measurement and shutoff triggers established, and pumping limit by "zones" put in place. A copy of a map showing the different pumping zones was provided, as was a chart showing the 2018-2023 Allocation of DMC Pumping Quantity for all Districts under the 50TAF approved total, and showing the District's share of 10,000 AF. She noted that if a quantity of over 50,000 AF had been requested, approvals would have to come from Denver, and the contractors were not willing to risk exposing their request to the delay that would surely cause. She also provided the draft 2018 Storage and Conveyance Rates which showed a rate of \$64.80.

1. Review and Approve Resolution Authorizing the Execution of a Temporary Contract with the USBR to Provide for Storage and Conveyance of Non-Project Water

Anthea provided the draft form of contract and reviewed a Resolution Authorizing the Execution of a Temporary Contract with the USBR to Provide for Storage and Conveyance of Non-Project Water, which was approved as follows:

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

D. 2017 Rescheduling Update

Anthea provided the rescheduling guidelines, noting that the Rescheduled Water Cap of 150,000 AF was the only change from years prior. The District's share of that is 11,608 AF, which was fully requested to be rescheduled with a fee of \$8.19 AF. Customers who wished to reschedule their share were given a sign-up period and most requested to do so, and 10,004 AF was pro-rated based on irrigable acreage. The remaining 1,604 AF of carryover was being reserved to protect the Jan/Feb NVRWP supply in storage.

E. DPWD Remote Flow Monitoring Program – Update

Adam reported that he was working on a contract with Sierra Controls to perform a radio survey, which once completed would support a decision to install radio towers or a cellular network. Subsequent to the survey, the District can proceed with the next steps for environmental compliance. Anthea targeted the March BOD Meeting to have the radio survey contract in place.

8. DRAINAGE ACTIVITIES

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

Adam reported that at the last SJVDA meeting, it was stated that all domestic wells on Coalition-Covered parcels would have to be tested for nitrates, and if passed, another test would not be necessary for 5 years. Staff is preparing a thorough review of the District's covered parcels by early summer. The San Joaquin Valley Drainage Authority Budget Expenditure Summary was also provided for the Board's review.

9. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea reported that GSA and GSP development continues and provided the Board with two draft Agreements to be used within the Delta-Mendota Sub-basin. As of now, the Sub-basin will end up with 4

or 5 GSPs to report to the State. She shared that Woodard & Curran were currently asking for information as part of the data collection and compilation stage of their engagement. Once completed, GSP drafting would begin. Weekly and monthly meetings are taking place in order to move this effort forward with the goal for the GSP public draft to be completed in August of 2019. Notices of customer outreach meetings will also begin to educate the public on SGMA. Anthea also reported that the DMC Sub-basin was the recipient of a portion of the State's \$85 million in grant funding to benefit development of GSP's receiving \$1,178,500 in Category 1 funding and \$1,500,000 in Category 2 (DAC) funding.

10. FINANCIAL MATTERS

A. District Reserve Fund Analysis and Cash Flow Forecast

Anthea reported that the current Cash Funds in Reserve was estimated to be about \$1.4 million after project closing entries for 2017. Anthea explained that this year's budget was drafted to recognize unspent budgeted items from 2017-18, which equated to a reserve carryforward of \$359,370.00 or \$8.25/acre. The board was also advised that COLA increases of 3% and Merit based wage adjustments for added jobs responsibilities and goals achieved would be added to the Draft, the sum of which would need a per acre charge of \$42/AC, assuming full staffing for 2018-19. Upon concluding the discussion, the Board took action to set the 2018-19 Water Availability Charge at \$42/AC:

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

B. Review Staff Recommendation to Payoff USBR Deficit in the amount of \$256,642.17

Anthea shared that due to a lack of allocation in the 2014-15 water year, the District ended the USBR 2015 fiscal year with a deficit. Under its contract, the District was allowed to either remit a voluntary payment at time of notification, or incur the deficit. The latter was decided by the Board at that time. Staff is now recommending a pay-off of the deficit in order to prevent the further incurrence of interest. After review and discussion, the Board approved the payoff of the USBR deficit in the amount of \$256,642.17 as follows:

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

C. Review and Approve Draft 2018-19 District Water Rates

Anthea provided the Draft 2018-19 USBR Water Rates and approved SLMDWA Draft 2018 Water Rates and reviewed them with the Board. Based on the District's current Prop 218 guidance, Staff recommended rates be set at \$112/AF. After review and discussion, the Board approved the 2018-19 District Water Rates at \$112 AF for Ag, Non-Full Cost \$143 AF for Ag Full Cost and \$170 AF for Limited Full Cost as follows:

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

D. Review Draft 2018-19 Administrative Activities Budget

Anthea provided the Board with a draft 2018-19 Administrative Activities Budget and indicated that once reviewed, they would go into closed session for a Public Employee Performance Evaluation – Title G.M.

E. Oral Report of Final Action Recommendation for Local Agency Executive Compensation Delayed to a subsequent meeting.

- F. Approve Draft 2018-19 Administrative Activities Budget
Anthea reviewed the draft Budget Report and highlighted the major line items, which included wages and related expenses, Association Fees, and legal, consulting & audit fees. The Board asked for clarification on the budget included for 2018 consulting on supply development projects, which included \$361,000 for Del Puerto Canyon Reservoir feasibility studies and \$274,000 for the Orestimba Creek Recharge and Recovery Project.
- G. Review and Approve Letter to the Secretary of the Interior Requesting Conversion of the District's Water Service Contract to a 9d Repayment Contract Pursuant to Sec 4011 of the Water Infrastructure Improvements of the Nation Act (WIIN Act)

11. SUPPLY DEVELOPMENT PROGRAMS

- A. North Valley Regional Recycled Water Program -- Update
- B. Orestimba Creek Recharge & Recovery Project -- Update
- C. Del Puerto Canyon Reservoir Project -- Update
- D. Los Vaqueros Reservoir Expansion Project - Update
- E. Other Storage Investigations - Update

12. ADMINISTRATIVE ACTIVITIES

- A. 2017/2018 Annual Landowner Meeting & NVRRWP Dedication
- B. District Water Management Plan Update
- C. District Local Hazard Mitigation Plan -- Update
- D. LAFCO Application Requesting Detachment of Certain Lands Receiving Duplicative Service From Central California Irrigation District -- Update
- E. Review District/SLDMWA Comments on City of Patterson Water Master Initial Draft
- F. Annual JPIA Risk Assessment Audit -- Report

13. SLDMWA Report

- A. SLDMWA Minutes, Reports and Issues Updates
- B. SLDMWA Staffing Update
- C. San Luis Transmission Project - Update

14. MANAGERS REPORT

- A. Federal Legislation -- Update
- B. State Legislation -- Update
- C. CA Water Fix -- Update
- D. State & Federal Contractors Water Authority -- Update
- E. SWRCB WQCP Activities - Update

F. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update

15. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH
16. CLOSED SESSION
17. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2
There was nothing to report on this item.
18. ADJOURNMENT
Being no further business, the meeting was adjourned at 11:18 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS
JANUARY 24, 2018
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

President Gene Bays asked for a moment of silence for Anthea Hansen and Frances Mizuno in honor of the recent passing of their fathers.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea handed out Accounting Reports and suggested the Consent Calendar be taken as an open item. The Board approved the change as follows:

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

4. MINUTES FROM THE REGULAR BOARD MEETING OF 12/20/17, ACCOUNTING REPORTS, AND MONTHLY FIELD OPERATIONS REPORT

The Minutes from the Regular Board Meeting of 12/20/17, the Monthly Accounting Reports as of 12/31/17 (which were presented, reviewed and discussed during the meeting), and the Monthly Field Operations Report for the month of December 2017 were provided for the Board's review. The Board approved the three items as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that the Federal share in San Luis Reservoir was full, but that currently DWR was not comfortable with allowing the Bureau to store water on the State's share (which is not full). If pumping was cut due to this, foregone pumping would start to accumulate and the quantity of water calculated would be used to reduce carryover once the reservoir started to draw down. Pumping limits were currently curtailed and the USBR & DWR and Agencies were in disagreement about implementation of the WIIN act. The Bureau's position is that under the WIIN Act, reverse flow limits could be exceeded so long as there is no potential impact to species. DWR however, was holding to their Consistency Determination, stating that the State was not subject to the WIIN Act and would not implement it to allow the Bureau to pump any extra water. She added that any carryover that is not evacuated before drawdown will most likely be lost. Anthea also reported that for 2018 the SJRECWA transfer was in place along with two other exchange agreements with San Luis and the Refuges. These sources will be called upon if continuing dry weather leads to a lessened 2018 Allocation.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 12/31/17

Adam reported In-District use for the month of December at 1,315 AF, no transfers out, total use year-to-date of 59,189 AF, with an estimated 95,250 AF remaining to be scheduled into 2018-19. Anthea noted that the NVRRWP had commenced pumping as of December 28, 2017.

C. DMC Pump-In Program Environmental Review - Update

Anthea reported that Staff had been working with the Bureau on the environmental work that supports the District's Warren Act Contract for the DMC Pump-In Program. A Hybrid Alternative to the program was presented and showed restrictions depending on the CVP allocation. After discussion, Anthea shared that more than likely, they would be implementing monthly groundwater depth measurement requirements, which would add costs to the program's participants.

D. 2017 Rescheduling Update

Anthea provided a potential 2017 Rescheduled Water Allocation chart showing quantity, percentage and final allocation to which Del Puerto was allotted, which would be 11,608 AF assuming none of the other Districts changed their current request.

E. DPWD Remote Flow Monitoring Program – Update

Adam reported meeting in January with Sierra Controls, LLC, a consultant to the Remote Flow Monitoring Program, to discuss the best method of completing the radio systems survey to determine which system would work best for the District's purpose. Board President Bays asked about cost and Anthea reminded the Board that the District had been awarded a grant for this project that would fund at least 50% of the project, with the District budgeted in 2017-18 for its share of \$106,000. In order to proceed, CEQA and NEPA had to be completed.

6. DRAINAGE ACTIVITIES

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

Adam reported that one of the biggest changes in the coming year will be the monitoring of shallow groundwater, including domestic wells. A copy of the Winter 2017 Watershed Coalition News Flyer was presented to the Board which outlined the upcoming changes for the new Water Year.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea shared that she continued to participate in the development of the Coordination Agreements between the GSAs and GSPs, and that drafts of those would be going out for attorney review soon. Adam, who is sitting in on the technical committee, reported that Woodard & Curran, the GSP consultant, was working on a priority list for data needed from each district and the Delta-Mendota Subbasin as well. Anthea presented to the Board a Draft Proposal for Technical Support for the Development of the Groundwater Sustainability Plan, and proposed hiring Woodard & Curran to assist District Staff on an as-needed basis. After review and discussion, the Board agreed to including the proposal in the 2018-19 budget.

8. FINANCIAL MATTERS

A. 2017-18 Budgeting Process/Timeline Review – Board to consider Rescheduling February Regular Meeting Date

Anthea reported that Budget Templates were being reviewed and would be the focus of next month's Board Meeting. She shared that the Water Authority had delayed their budget schedule, and would be meeting in the coming week to review a Draft Budget for 2018-19. Anthea also requested that February's Board Meeting be postponed until February 28, 2018 due to budgeting and a conflict with her possible attendance at the Family Farm Alliance Conference. After discussion it was agreed to move the meeting date to February 28, 2018.

B. 2018 NVRWP Assessment – Update

Anthea reported that the first assessment for the NVRWP had been mailed and invoiced to 40,727 irrigable eligible acres totaling \$1,181,083.00, and would provide 10,518 AF to customer's water accounts. President Bays asked if there had been any feedback from growers on the invoicing and Jaclyn responded that some growers inquired about a turn-back program, as they didn't need the water. Anthea responded that at an earlier BOD Meeting, the Board indicated waiting until the Turlock component of the program was complete before considering program options.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that the City of Modesto had substantially completed their portion and would be invoicing the District soon for the contractor's incentive in the amount of \$500,000. She added that the City of Turlock was working on easement issues with Modesto as well as working with Landowners within the alignment of the Turlock component in an effort to find a home for the de-watering water. Minutes to the NVRWP January 11, 2018 meeting, City of Turlock Permitting Meeting, and correspondence from the US Department of the Interior to Senator Feinstein pertaining to recommendations for funding were provided for the Board to review. Anthea also reported that the paving had been completed on the main roads and the shoulders were being completed. She also reported that District was in line to receive \$4,337,500 WIIN grant, which would offset the cost of the Turlock component and project as a whole.

B. Orestimba Creek Recharge & Recovery Project – Update

1. Board to approve Sub-Grant Application Expenditure

Adam presented the Board with a copy of the Cal OES Hazard Mitigation Grant Program Subapplication for the full Orestimba Creek Recharge Project with a cost breakdown. Anthea reminded the Board that the 20 acre pilot project was a \$1.3 million dollar project that CCID had applied and received a Watersmart Grant that would cover \$500,000 to \$600,000, with the Districts covering and splitting the remaining \$700,000 - \$800,000. The agreement with the property owner had also been finalized. Provost & Pritchard's fee estimate for the Sub-Grant Application was \$50,000, which Anthea reported giving prior verbal approval for the District to pay its \$25,000 share. Upon review and discussion of the Sub-Grant Application Expenditure, the Board approved Anthea's action as follows:

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

C. Del Puerto Canyon Reservoir Project – Update

Anthea shared that Staff had on its schedule for the following day a meeting with the Regional Director and Deputy Director to continue the request for the Bureau's funding of Phase II of the Del Puerto Canyon Reservoir Feasibility Study.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that last month, Contra Costa's Staff presented their project to the water commission and added that Contra Costa's Board had approved the participation of the South of Delta Districts (San Luis, Del Puerto and Westlands) in the project. DPWD was to next provide information about the District's potential participation in the reservoir. Anthea suggested at a minimum that the District would require about 10,000 AF of storage and access to the Transfer Bethany Pipeline. She reminded the Board that District has not committed to participate in the construction of this project, simply to have District participate in the environmental document in order to be able to participate (if chosen to) at a later date.

E. Other Storage Investigations - Update

Anthea reported and presented an article pertaining to the rejection of public benefit calculations by state water officials on all proposals presented for water storage projects seeking Prop 1 funding. Their decision was based on the notion that none of the projects provide the public benefits that their supporters claim, which in their opinion could potentially put their state funding at risk.

10. ADMINISTRATIVE ACTIVITIES

A. 2017/2018 Annual Landowner Meeting & NVRWP Dedication

Anthea expressed interest in having a dedication ceremony for the Modesto component of the NVRWP and suggested it be done the same day as the annual Landholder/Water User Meeting. After discussion, it was suggested to have both on either March 13th or 14th. A "Save the Date" was to be sent to all customers.

B. District Water Management Plan Update
There was nothing to report on this item.

C. District Local Hazard Mitigation Plan – Update
There was nothing to report on this item.

D. 2017 SWRCB Fee Litigation - Update
Anthea reported that a hearing had been held the day prior and that correspondence following the hearing suggested a difficult panel, which asked few questions from the State Attorney but seemed to ask several questions on the findings from District's counsel. The case was submitted and the Court would issue its decision in a 90 day period.

E. LAFCO Application Requesting Detachment of Certain Lands Receiving Duplicative Service From Central California Irrigation District - Update
Anthea reported that the LAFCO application to detach the lands that received duplicative services from CCID and Del Puerto Water District was in process.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea shared that she was unable to attend the SLDMWA Board meeting, but was able to attend the Committee meeting and provided the minutes. She reported that Executive Director Jason Peltier had announced his departure from the Water Authority and several discussions came up about who would be the temporary stand-in before a full-time replacement was found. She indicated someone would be appointed by the next Board meeting. Anthea also reported that there was an RFP going out for the development of a Strategic Plan for the Water Authority.

B. SLDMWA Staffing Update

This item as discussed in Item 11. A.

C. San Luis Transmission Project - Update

A San Luis Transmission Project outreach plan was provided for the Board to review. Anthea reported that the environmental documentation had been approved and Frances was working on negotiations with Duke-American Transmission Company to fund and construct. The goal of the project is to enhance delivery of low-cost power for use in conveying water to the San Joaquin Valley, Central Coast and Bay Area water agencies and farms.

12. MANAGERS REPORT

A. Federal Legislation – Update

Anthea reported a large turnout at the Water Users Conference in Reno which she attended. She shared that several contractors were interested in converting contracts under the WIIN Act into permanent 9D contracts, and that they would be moving forward as a group on this effort. The WIIN Act provides a 5 year window to convert water service contracts to permanent contracts. In order to achieve this, all capital debt must be paid off, and would mean that District would not be subject to RRA Landholding Certifications. Anthea added that if this was considered a non-discretionary action, it would not require the EIR or EIS, simply an EA however, if it was considered a discretionary action, it would require the EIR and EIS. Anthea also reported on the Drainage Resolution and shared that Westlands Water District's Drainage Settlement expired on the 15th of January however, the Bureau was not cancelling the agreement but would have to submit new legislation to obtain a valid one. She also reported that San Luis and Panoche Water Districts were pursuing their own legislation to settle their drainage issues with the Bureau.

B. State Legislation – Update

Anthea shared that the SB623 tax on water bill, which was aimed at funding drinking water solutions for disadvantaged communities, was being watched carefully. Although this bill was specifically for drinking water, she believed it had the potential to include all water, including irrigation. She also reported that a new water bond will be in the November ballot and would invest \$8.877 billion dollars in California water infrastructure, and was proposed to benefit people, the environment and agriculture. Information on the bond was provided for the Board to review.

- C. CA Water Fix – Update
Anthea reported that there was still effort coming from the State to keep this project moving forward, but nothing else to report.
- D. State & Federal Contractors Water Authority – Update
Anthea shared that continuing the science work of SFCWA under a different format was being considered. A draft FY2019 Budget Summary for SFCWA was provided for the Board's review.
- E. SWRCB WQCP Activities - Update
Anthea reported that stream flow proposals were coming out of the State Board for Phase I, which could either end in settlements or may be issued as an order, and that Phase II, which would impose more stringent restrictions on the Sacramento River, would follow. She reported that the SLMDWA had Counsel engaging on the District's behalf in this matter.
- F. USBR Re-initiation of Consultation on the Long-Term Operations of the CVP & SWP - Update
Anthea provided a news release from the Bureau inviting public input on efforts to maximize water deliveries and power generation from the CVP under the auspices of their Re-Initiation of Consultation of the Long-Term Operations of the CVP and SWP.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

The 2018 Mid-Pacific Region Water User's Conference Schedule was provided for the Board's review. Anthea reported that she attended the conference and was in charge of organizing the panel for the presentation titled "Feeding the Future – Will We Be Ready?" as well as a screening of the movie "Beyond the Brink". Anthea also included obituaries for Jerry C. Chang, Frances Mizuno's father as well as that of her own father, J. Wells.

14. CLOSED SESSION

Upon return from closed session, Anthea reported that the Board took action in closed session to approve four agreements, which included a Transfer with San Luis Water District, a Transfer with Lower Tully and Pixley Irrigation Districts, an Exchange Agreement with Arvin-Edison Water Storage District, a Term Sheet and a Cooperation Agreement Regarding Ongoing Banking Partnership Activities with Central California Irrigation District. The motions were all passed unanimously and no other action was taken in closed session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:18 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary