



**REGULAR MEETING OF THE BOARD OF DIRECTORS
JULY 20, 2022
MINUTES**

1. CALL TO ORDER

Vice President Bays called the meeting to order at 8:42 a.m. Board Members present were Jim Jasper, Pete Lucich, Jarod Lara, and Kyle Perez.

2. OPPORTUNITY FOR PUBLIC COMMENT

Vice President Bays asked if any member of the public who might be on the phone line wanted to make a comment. Russel Fowler, calling on behalf of District 5 Stanislaus County Supervisor, expressed support for the District and all of its current projects, as well as thanked Anthea for a great meeting with Supervisor Condit that took place recently. Anthea also commented on the recent passing of David Reichmuth, a Board Member of Patterson Irrigation District.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea mentioned a correction to Item IX. C., which should have read IX. B. There were no further additions or revisions to the Agenda.

4. CONSENT CALENDAR

The Minutes from the Board Meeting of 6/15/2022, Monthly Accounting Reports, and Field Operations Report for June 2022 were provided in advance for the Board's review. The Board approved the Consent Calendar as follows:

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

5. MANAGER'S REPORT

Anthea reported that the re-consultation on the Biological Opinions continued to move forward but the process would take about two to three years therefore the Projects would be operating under the interim guidance. Anthea also reported on Water Quality Control Plan activities at the State Water Resources Control Board, and reported that the Water Authority had signed the Voluntary Agreement for the purpose of representing the Member Agencies. The District has not yet been asked to be a signatory to that agreement, but is pleased to have the Authority's Executive Director Barajas there to represent the South of Delta Contractors. Anthea shared that the New Delta Conveyance Facility Project by the Department of Water Resources had a few changes to the original concept. She reminded the Board that participation in this project is something that the District had opted out of due to costs, but noted that the District would review the changes and monitor it as to potential impacts operations. This would also give the opportunity to determine if the District wished to participate in the revised Project.

6. ACTION ITEMS

A. Board to Review and Approve Audit Engagement Letter

Anthea provided and reviewed a letter from JWT & Associates, LLP, which covered the upcoming audit's scope and objectives, responsibilities, procedures and other services. After review and discussion, the Board approved the Audit Engagement Letter as follows:

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

7. WATER OPERATIONS & SUPPLY

A. CVP/SWP Operations

Anthea provided the July Operations Update and reported that Jones increased pumping to 2,700 cfs on July 10th. San Luis Reservoir draw down is at a rate of 4 TAF/day, and would be expected to slow by the following week. She also reported there were summer releases from Folsom for flood control, which during the current drought seemed unnecessary, but were required by Corps of Engineers flood control guidelines. Also provided was a SLR Graph with 50% and 90% exceedances reflecting an anticipated 2-3 unit operation at Jones to capture increased summer releases from Folsom. Because of the increase in pumping at Jones, the CVP is now able to meet the Exchange Contractor deliveries through the DMC.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 6/30/22

Anthea provided a copy of a letter she sent to the Bureau noting a discrepancy in the February Water Accounting, and which made a request to reduce rescheduled Water by 20 AF. Paul provided the Supply/Use/Completed Transactions Summary Report as of 6/30/2022 and reported that in-District use for the month of June was 6,387 AF for a total of 16,804 AF for the year. Total estimated for rescheduling into 2023-24 was shown to be 11,519 AF.

C. 2022-23 Additional Supplies Update

Anthea reported that due to the increase of the Friant Allocation, both Arvin Edison and Lower Tule may have some water available for the District. Yuba was moving about 300 AF/day through Jones and Staff announcing that the 2022-23 Block 1 additional supplies will be allocated in July. She also provided a letter to PID pertaining to a water purchase request. She added that the purchase request had been agendaized for their next Board Meeting.

D. Landholding / Licensing Updates

Paul provided and reviewed the Active Permits and Licenses Report with the Board, which showed four active permits for temporary drafting, sheep grazing, water sampling and pipeline repairs and one active license for an installation of non-project Warren Act pump-in facilities. Anthea provided a copy of the 2022 Temporary Change in Water Quality Requirements for Groundwater Introduced into the Delta-Mendota Canal. Paul reported that the changes pertained to limits on nitrates and thus allowed a few well owners in the District who previously did not pass the water test to pump into the DMC.

8. RESOURCE MANAGEMENT ACTIVITIES

A. Westside Integrated Regional Water Management (IRWM) Activities

Anthea provided an Activity Agreements – Staff Report and shared that there were two IRWM meetings this month. She reported that the application deadline was August 19th for the second round of grant funding. The IRWM group met the week prior to make the final selections of projects from the OPTI Database. She shared that the other Districts took their projects off the list and decided as a region forward the DPCR to try to get leverage on WIIN Act funding, which was about \$955,000. She added that the consultants would assist with the application and the costs would be handled through the Project Management Contract through Woodard and Curran.

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

Adam provided the 2021 WSJRWC Paperwork Status Update for DPWD as of 7/8/22 showing twelve growers who had not yet provided them with required paperwork. He reported that the updated 2022-23 member list for the Coalition would be submitted to the Coalition in the near future.

C. Sustainable Groundwater Management Activities

Adam reported that one of the items of discussion with various Counties (San Joaquin, Stanislaus and Merced) was the requirements of well permit applications. The suggestion of a single template for all counties to document compliance with the State of California Executive Order N-7-22 and the Merced County Groundwater Mining Alliance and Export Ordinance was discussed. Adam provided the Agenda to the DM-II GSA Meeting held on 7/15/22 to consider revisions of the GSP and an approval of a Resolution adopting of the amended Northern & Central Delta-Mendota Groundwater Sustainability Plan. Adam shared that the revised GSP provides a good basis from which the Subbasin will be managed for the next 20 years to achieve sustainability. Adam also reported that customer packets explaining well registration and metering policy requirements are in the works to be sent to well owners in the near future.

1. SGM Implementation Grant – Round 1 Monthly Grant Administrator Update
Anthea provided a copy of the Grant Application for the SGMA Implementation Grant and shared that a Draft Agreement was in her office awaiting review to get responses to questions submitted by DWR.
2. Policy Discussion Regarding Management Action Enforcement
Adam provided a list of Undesirable Results and Indicators per NCDM GSP and discussed them with the Board. Anthea asked if installing monitoring wells would be beneficial or if asking growers to volunteer information would be the best decision. Director Perez suggested asking growers first and if none came forward, then proceed with installing monitoring wells. Adam and Anthea discussed scenarios with the Board. After discussion, Anthea indicated that Staff would return with at the August Board Meeting.

9. FINANCIAL MATTERS

A. Cash Flow & Reserve Fund Balance Report

Anthea provided and reviewed the DPWD Cash Flow Projection for 2022-23.

B. CVP Financial Matters

Anthea provided a Meeting Agenda from the CVPWA Financial Affairs Committee July meeting, as well as a letter received from the Bureau inviting Staff to a workshop regarding the Implementation of an R Component for excess capacity charges in the CVP. She explained that they propose to add a reserve component for future major capital projects on CVP facilities, and also charge an R Component on Warren Act Contracts for transferred works.

10. SUPPLY DEVELOPMENT PROGRAMS

A. Orestimba Creek Recharge & Recovery Project – Update

Adam reported that the project was currently further into the permitting and licensing stages for the facilities that will be built. The Districts were currently waiting for DWR to issue a license for a turnout on Orestimba Creek. Also reviewed and discussed were grant agreements, Geotech reports, and estimated construction start time. Anthea asked to have Provost and Pritchard give a full project update at the August meeting, with bid estimates, updates on the grant and the budget. The goal for start of construction is currently January 2023 cost a completion goal of Summer 2023.

B. Del Puerto Canyon Reservoir Project – Update

Anthea provided a Progress Update Report and Program Management Report from Woodard & Curran as well as a Technical Review Board Meeting Report from a meeting that took place on June 13th and 14th and shared that the Technical Review Board meeting comprised of site tours, review of selected cores, presentations by the project partners and their consultants, discussions by participants, and initial verbal responses by the TRB to questions raised during discussion. Also provided was Terra Geopentech's Progress Report and Anthea hoped they would have a presentation at the August Board Meeting. They had been putting together the scoping permitting to perform the geotechnical investigations that are the key to this next year's efforts in informing the engineering cost analysis to get the Project to the next level of design. Anthea also shared information on the Sonic Drilling that will be used for this project. August 5th will be the next court hearing on the DPCR Project. Anthea also provided and reviewed the USBR Feasibility Report Schedule.

C. Los Vaqueros Reservoir Expansion Project - Update

Anthea provided the LVR Joint Powers Authority Minutes and reported that discussions were taking place currently, on potential share of storage capacity, the Transfer Bethany Pipeline capacity split, as well as costs.

D. BF Sisk Dam Raise Project – Update

There were no updates on this item.

E. Pacheco Reservoir Expansion – Update

There were no updates on this item.

F. Ceres-DPWD-Turlock Discussions on Advancing Recycled Water into NVRRWP Facilities

Anthea reported that the interim movement of water was resulting in an additional 75 AF/month, and that discussions for future capacity and the next phase of the Ceres project would now move forward.

11. ADMINISTRATIVE ACTIVITIES

A. Review Schedule for Updates to District Policy Manual(s)

Anthea provided a list of Existing Documents and Existing Policies. She shared that she wanted to focus this year on reviewing the District's original documents to make sure everything is up to date with the District's Bylaws, Rules and Regulations, and policies.

12. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the SLDMWA Board of Directors Meeting Minutes, O&M Report for June 2022, Update on Water Policy/Resources Activities, Water Resources Committee to consider Recommendations on Legislation / Board of Directors to Consider Same, Update on the Science Program, State and Federal Affairs Update, and a letter from Friant regarding the Billing of San Joaquin River Releases to Mendota Pool due to a Temporary Interruption of Settlement Water Deliveries Through the Delta-Mendota Canal for Board review. She reported that the meetings have been well attended since in-person meetings resumed. She shared that the Water Authority Staff had most vacant management positions filled. She reported that some of the Exchange Contractor Demands were met by releasing water from Friant. Friant members pay the O&M cost to deliver the water to the Exchange Contractors. A letter was sent to SLDMWA from Friant indicating they had been paying the monthly cost, but were doing so under protest. She hoped there would be a logical resolution but noted that the impact of one rate payer not wanting to pay will result in the shift of fees to other contractors.

13. CLOSED SESSION

A. Conference with Legal Counsel – Existing Litigation

Upon return from Closed Session, Anthea shared that there were no reportable actions taken.

B. Conference with Legal Counsel – Existing Litigation

Upon return from Closed Session, Anthea shared that there were no reportable actions taken.

C. Conference with Special Legal Counsel – Existing Litigation

Upon return from Closed Session, Anthea shared that there were no reportable actions taken.

14. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A copy of a letter to Senator Portantino from the State Water Contractors pertaining to their support of AB2313(Bloom) as well as Family Farm Alliance July Memo Update Report were provided for the Board's review.

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 12:45 p.m.

Respectfully submitted,



Anthea G. Hansen
Secretary