



**REGULAR MEETING OF THE BOARD OF DIRECTORS
SEPTEMBER 18, 2024
MINUTES**

1. CALL TO ORDER

President Koster called the meeting to order at 8:30 a.m. Board Members present were Daniel Bays, Peter Lucich, Zach Maring, Kyle Perez, Jarod Lara, and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea asked if there was any member of the public that would like to make a public comment. No members of the public were present to comment. President Koster commented that neighboring Districts have an internal transfer program that allow for customers with excess water to transfer water to customers seeking water within the District. He asked that staff look into whether a similar program would be something DPWD should consider.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. CONSENT CALENDAR

The Minutes from the Regular Board Meeting of August 21, 2024 and the Monthly Accounting and Field Operations Reports for August 2024 were provided in advance for the Board's review. The Board approved the Consent Calendar Items as follows:

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

5. ACTION ITEMS

A. Board to Adopt Resolution Demanding Delivery of Collectors Deed to the District – Stanislaus County APN 026-013-017 - McCafferty

Anthea provided and discussed the Resolution Demanding Delivery of Collectors Deed to the District – Stanislaus County APN 026-013-017 – McCafferty and the steps Staff took to attempt collection of assessments for the past three years from the landowner. After review and discussion, the Board adopted the Resolution Demanding Delivery of Collectors Deed to the District – Stanislaus County APN 026-013-017 – McCafferty, as follows:

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

B. Treasurer's Quarterly Investment Report for the 2nd Quarter Ending 08/31/2024

Anthea provided and reviewed the Treasurer's Quarterly Investment Report for the 2nd Quarter Ending 08/31/2024, noting that copies of all supporting bank statements and Investment Statements were available upon request for review. After review and discussion, the Board approved the Treasurer's Quarterly Investment Report for the 2nd Quarter Ending 08/31/2024 as follows:

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

6. MANAGER'S REPORT

Anthea provided and discussed comment letters from several CVP Contractors including DPWD, the State Water Contractors, and District customers to BOR commenting on the Draft Environmental Impact Statement for the Long-Term Operations of Central Valley project, an invitation from the U.S. House of Representatives to a field hearing on *Water Abundance: Opportunities and Challenges in California*, and the testimonies of the members of the water community selected to testify. She provided and discussed comment letters from several agencies requesting that DWR and the BoR revise the Fall X2 requirements in the Delta for Fall 2024 to account for recent scientific findings. She reported that the State Water Resources Control Board will have a hearing sometime in the spring regarding moving forward with unimpaired flows or the proposed Voluntary Agreements, now called Healthy Rivers and Landscapes. The Healthy Rivers and Landscapes Program includes an implementation strategy that would utilize specific amounts of funding over eight years. The funds for this program would be partially paid for by new charges on each AF delivered to Water Users South-of-the-Delta, resulting in a \$10/AF additional charge to all water delivered to DPWD in WY25. Anthea also reported that the Water Authority will be having a workshop on the Voluntary Agreements that will take place on October 10th and welcomed the Board to attend.

7. WATER OPERATIONS & SUPPLY

A. CVP/SWP Operations

Anthea provided and discussed the San Luis Storage Projection Graphs showing the 50% and 90% Exceedance graph.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 8.31.24

Paul provided and discussed the monthly Supply/Use/Completed Transactions Summary Report as of 8/31/24 and reported in-District use for the month of August was 9,196 AF with an additional 63 AF of transfers out. Year to date use and scheduled use for the remainder of the 2024-25 water year totaled 88,593 AF, leaving 24,068 AF estimated for Rescheduling into 2025-26.

C. 2024-25 Additional Supplies Update

Anthea provided and reviewed the 2024-25 Additional Supplies Pool Report. She reported that staff is working to determine how much water will be needed by customers requesting Late Additional Supplies in order to schedule delivery of stored supply to cover those needs.

D. Landholding/Licensing Updates

Paul provided and reviewed the Active Permits and Licenses Report showing seven active permits and one active license.

E. 2024-25 SLCC Transfer – Status Update

Anthea reported that she was continuing discussions with the Bureau of Reclamation regarding the NEPA documentation to support the transfer of the additional portion of the water obligated to Triangle T Water District per the negotiated agreement.

8. RESOURCE MANAGEMENT ACTIVITIES

A. Westside Integrated Regional Water Management (IRWM) Activities

Anthea provided the SLDMWA Activity Agreements – Staff Report for August 2024 for the Board's review and shared that there were no updates on this item. She reported that the future of the IRWM program was in question due to lack of funding from DWR.

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

Adam provided the Agenda and minutes from the previous meeting. Adam reported that the SJVDA Board had asked Summer's Engineering to draft a policy for the removal of non-compliant landowners from the Watershed Coalition based on recommendations from the Regional Water Quality Control Board. Adam reported that in subsequent conversations between the RWQCB and Summer's Engineering staff, the Regional Board expressed concern with this approach and Summer's Engineering will be evaluating alternatives for addressing non-compliant members. He also reported that the Coalition will be returning to one-on-one outreach meetings for water quality exceedances and that he will be attending a Focused Outreach for a customer in DPWD. He also provided and reviewed a memo from Summers Engineering regarding the SLDMWA's desire to transition away from providing Administrative support to the SJVDA as contemplated in the updated SLDMWA Strategic

Plan. Adam reported that this support included the Executive Director and Treasurer position with the SJVDA, as well as accounting services.

C. Sustainable Groundwater Management Activities (SGMA)

Adam provided the Agendas to the Meetings of the Northern Delta-Mendota Region Management Committee held on August 7th, August 15th, and August 27th, the August 12th meeting of the Delta-Mendota Subbasin Coordination Committee. He also provided and reviewed EKI's proposal to Support Basin's Response to the California Department of Water Resources' Inadequate Determination and State Water Resources Control Board Probationary Hearing Process as well as their presentation on the Northern Delta-Mendota Pumping Reduction Plan. Adam reported that at the previous coordination committee meeting, the other GSP groups had the opportunity to present progress on the development of Pumping Reduction Plans. He reviewed and discussed the triggers for entering into the cutback provisions of the exceedance policies pertaining to water quality and subsidence.

1. Anthea reported that the District had developed policies to address some of the challenges presented by SGMA. She reminded the Board that the Water Use Policy was adopted to encourage growers to use surface water instead of groundwater when surface water was available and reported that it appeared to be effective as the District was delivering larger quantities of water than in previous, similar year types. She added that there were still some outstanding landowners that have not completed the repairs necessary to make full delivery of their available surface water.

D. SGM Implementation Grant – Round 1 Monthly Grant Administrator Updates

Anthea provided and reviewed a memo on SGM Rd 1 Grant Implementation Agreement No. 4600014644: Amendment 2 Requested Changes. She reported that two items in the request pertained to DPWD projects, a request from CCID to transfer the funds allocated to the Los Banos Creek Recharge and Recovery Project to the Orestimba Creek Recharge and Recovery Project and a request from DPWD to reallocate the funds awarded to upgrade the City of Ceres pump station which delivers water to the City of Turlock for the North Valley Regional Recycled Water Program to a feasibility study analyzing options for conveyance of tertiary treated recycled water produced at a newly proposed Ceres Treatment plant directly to the Modesto NVRRWP pumping plant. Staff is awaiting approval of this amendment by the Department of Water Resources.

E. Groundwater Well Remote Telemetry Program (2023-24 WaterSMART Grant)

Adam reported that there was nothing in the Board Packet for this item, but last month the District received the notice to proceed from the BoR. Adam has reached out to Sierra Controls and the flow meter provider to get updated costs on the project. Once costs are established, the District will be sending out informational packets to the landowners of the selected sites explaining the program, agreements, and costs associated with those upgrades. Per the approved NEPA documentation, installation of the meters must be completed between October and February to avoid additional migratory bird survey requirements.

9. FINANCIAL MATTERS

A. CVP Financial Matters

Anthea reported that the CVP Financial Affairs Committee discussed Project Use Energy costs and proposals being developed by the USBR and the contractors to stabilize these costs along with other issues.

B. FY '24 Financial Audit – Update

Anthea reported that Staff were close to having all accounts finalized by the end of the week and will submit the trial balance to the Auditor and receive the Auditors final report by the next Board meeting.

C. Mid-Year Administrative Budget Review

Anthea requested to defer this item to the October Board meeting.

D. District Water Availability Charge – Presentation and Discussion Regarding Possible Future Rate Changes

Anthea reported that approximately 100 acres have been detached from the District within the last year. This loss of acreage, in combination with prior detachments and potential land use changes in the future, will shift the burden of the District' Administrative Budget on to less irrigable acreage, resulting in the need to seek approval for an increase in the per acre charge. She asked District Counsel to look into the possibility that the District could require continued payment of assessments to detached lands. A memo summarizing the issue was provided for the Boards review. She also provided and reviewed a Staff Report highlighting the existing and potential land detachments in the District for which the District Bank covers the Water Availability Charge. She

asked the Board for guidance regarding the various options available to the District for distributing the Water Availability Charge obligations for these retired lands in preparation of the FY 26 budget. Staff will revisit this item with the Board prior to development of the FY 26 budget.

10. SUPPLY DEVELOPMENT PROGRAMS

A. Orestimba Creek Recharge and Recovery Project – Update

Adam provided and discussed a response from Central California Irrigation District pertaining to a change order request from Rados and reported that a meeting would be held between the project partners and Rados to come to a resolution on the request. He also reported that there were four protests to the long-term water right permit application and that the project partners were working through the resolution of those protests. He also reported that the timeline to complete the final component of the pump station had been pushed back to January 2025 again due to equipment procurement delays.

B. Del Puerto Canyon Reservoir Project – Update

Anthea provided a memo from Woodard & Curran regarding the DPCR Progress Update for September, a TY LYN Progress Report No. 7, Terra GeoPentech Progress Report No. PR-26, a biweekly report pertaining to the road relocation, and a notice of award of additional WIIN Act Funding from the Department of the Interior. She reported that two task orders were signed to continue the engineering work for the road relocation design and access roads for the relocated towers. She also reported that the program team will be present at the proposed road relocation alternatives STANCOG Board of Directors meeting in October. She reported that a meeting between the project partners and the Bureau was scheduled for early October to continue the discussion of the Bureau partnering in the project for purposes of supporting the South-of-Delta Drought Plan.

C. Los Vaqueros Reservoir Expansion Project

Anthea provided and discussed an August Accomplishments presentation, Construction Schedule Summary, and a Contra Costa WD LVREP Update. She reported that project agreements have been moving forward and that the cost reduction plan showed funding until June of 2025 before another call for funds could be made. Additionally, negotiations for a partnership agreement with Reclamation will start soon. Anthea also reported that East Bay Municipal Utility District had removed their request for storage in the Project and Santa Clara Valley Water had reduced their request. This resulted in a current under-subscription for the storage portion of the Project and caused some concern regarding the viability of the project.

D. BF Sisk Dam Raise Project – Update

Anthea reported that she was optimistic that an Agreement with Reclamation would be finalized at a meeting scheduled for September 19th.

E. Ceres – DPWD – Turlock Discussions on Advancing Recycled Water into NVRRWP Facilities – Update

Anthea provided a memo and reported that Staff and the consultants were working toward moving the SGM Implementation Grant Round 1 funding to a proposed feasibility study for direct conveyance from Ceres.

F. Coordination with Local Agencies on Regional SGMA Projects - Update

Anthea reported that Staff was working in coordination with local agencies to potentially increase deliveries through the NVRRWP. She reported that she and Adam held a productive meeting with the City of Modesto and Turlock Irrigation District discussing potential opportunities to increase the quantity of water produced through the NVRRWP.

11. ADMINISTRATIVE ACTIVITIES

A. Training Updates

Anthea reminded several Board Members of their outstanding training requirements.

B. Staffing Updates

Anthea provided a copy of a "thank you" note from Gracie Chavez, the District's summer intern who assisted with various tasks and projects.

C. Local Hazard Mitigation Plan 5-Year Update

Adam reported that the remaining edits have been input into the plan and that the District will notify neighboring local agencies that the plan is available for review. The District will need to hold a public meeting to input from the public on the plan.

12. SLDMWA REPORT

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the SLDMWA Board of Director Regular Meeting Minutes of August 8, 2024 and the O&M Report for August 2024. She reported that she will now be including any information from the SLDMWA Planning Committee that has been established.

B. Upper Delta-Mendota Canal Subsidence Correction Project

Anthea provided and discussed the SLDMWA Planning Committee list of Divisions and their representatives. She also provided and discussed copies of presentations pertaining to the DMC Subsidence Correction Project and Status Update as well as a memo on a recommendation to Authorize Execution of Professional Services Agreement and Task Order with the Hallmark Group for Project Management & Design Review Services for the DMC Subsidence Correction Project and Related Expenditure of up to \$470,375 from DWR Grant Funds.

13. ARTICLES / CORRESPONDENCE / PUBLIC OUTREACH

An article titled "SJV WATER: Kings County Judge Rules Against State Water Board in High-Stakes Groundwater Case", a Program and Activities Update for September from California Farm Water Coalition, Family Farm Alliance September Update Report, and a California High-Speed Rail Authority News Release titled "High-Speed Rail Authority and Grassland Water District Reach Settlement Agreement" were provided for the Board's review.

14. CLOSED SESSION

There was nothing to report on this item.

15. REPORTS PURSUANT TO GOVERNMENT CODE 54954.2

There were no reports pursuant to Government Code 54954.2

16. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:00 p.m.

Respectfully submitted,



Anthea G. Hansen
Secretary