



**REGULAR MEETING OF THE BOARD OF DIRECTORS
NOVEMBER 17, 2021
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea asked if any member of the public wanted to make a comment. Being none, the meeting continued.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. CONSENT CALENDAR

The Minutes from the Board Meeting of 10/20/21, Monthly Accounting Reports as of 10/31/21, and Field Operations Report for October 2021 were provided in advance for the Board's review. The Board approved the Consent Calendar as follows:

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

5. ACTION ITEMS

A. Board to Consider Resolution Authorizing an Application to the Bureau of Reclamation's Watersmart Grant Program: Water and Energy Efficiency Grants for FY 2022

Adam reported that a Resolution was approved by the Board last month for Staff to apply for a grant to receive funding for well meters within the District and be able to connect those meters to the existing Remote Telemetry Program through the WaterSMART Program: Drought Resiliency Projects for FY 2022. Unfortunately, that grant did not allow for the funding of meters, rather the Bureau suggested the District apply under the Water and Energy Efficiency Grant for FY 2022. After review and discussion, President Bays asked if there were any questions. Being none, the Board approved the Resolution Authorizing an Application to the Bureau of Reclamation's Watersmart Grant Program: Water and Energy Efficiency Grants for FY 2022 as follows:

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

B. Board to Consider Resolution Authorizing an Application to the California Department of Water Resources Under the 2021 Sustainable Groundwater Management (SGM) Grant Program SGMA Implementation – Planning and Projects Grant and to Enter into an Agreement to Obtain a Grant for the Delta-Mendota Subbasin, and to act as the Administrator Thereof

Anthea provided a copy of a Resolution Authorizing an Application to the California Department of Water Resources Under the 2021 Sustainable Groundwater Management (SGM) Grant Program SGMA Implementation – Planning and Projects Grant and to Enter into an Agreement to Obtain a Grant for the Delta-Mendota Subbasin, and to act as the Administrator Thereof and shared that the Subbasin as a whole has had the opportunity over the last few years to apply for grants from the Department of Water Resources under various programs to help GSAs and Subbasins achieve the requirements of SGMA and have some of the costs offset. She reminded the Board that in 2017 and 2019 the Subbasin as a whole applied for grants under the Sustainable Groundwater Management Grant Program. WSID volunteered to be the grant applicant in 2017 and CCID volunteered in 2019. Anthea explained her recommendation that DPWD should be next in taking a turn to submit the grant applications.

After review and discussion, the Board authorized the Resolution Authorizing an Application to the California Department of Water Resources Under the 2021 Sustainable Groundwater Management (SGM) Grant Program SGMA Implementation – Planning and Projects Grant and to Enter into an Agreement to Obtain a Grant for the Delta-Mendota Subbasin, and to act as the Administrator Thereof as follows:

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

6. MANAGER'S REPORT

Anthea provided a Drought Response Planning for 2022 power point presentation as well as letters to Congress requesting to increase pumping due to the recent storms. She indicated the material will be reviewed in the Landowner/Customer Meeting taking place immediately after the Board of Directors meeting.

7. WATER OPERATIONS & SUPPLY

A. CVP/SWP Operations

Anthea provided and reviewed the SLDMWA November Operations Update. She reported that she attended a meeting which Congressman Costa hosted and leadership from the Bureau of Reclamation and the Department of Water Resources updated attendees about project operations. Director Jasper asked if there was a possibility of San Luis filling, to which Anthea reviewed two graphs (50% and 90% exceedance) showing it would not be likely.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 10/31/21

C. Paul provided the Supply/Use/Completed Transactions Summary and reported in-District use for the month of October at 1,625 AF. Total current use for the year was 36,243 AF. Total estimated for rescheduling into 2022-23 was 19,246 AF. Anthea shared that a meeting with Reclamation would be taking place later in the day to discuss rescheduling guidelines for 2022, as well.

D. 2021-22 Additional Supplies Update

Anthea reported that all transfers had been completed except the Mape's Ranch transfer, which would take several more months to complete. For 2021, Staff will have developed between 21,525 acre feet and 26,275 AF when the last transfer is complete. Staff continues to work on bringing in other transactions.

E. 2022-23 Supply Pre-Purchase Program Update

Anthea provided a copy of the notice sent to all Water Users for subscriptions to the 2022-23 Supply Pre-Purchase Program. She believes there will be a full subscription for the supplies available and Staff will continue to seek out more opportunities for water.

F. Landholding / Licensing Updates

There was nothing to report on this item.

8. RESOURCE MANAGEMENT ACTIVITIES

A. Westside Integrated Regional Water Management (IRWM) Activities

Anthea shared the IRWM's recent focus was to set up for the next round of funding. A recent IRWM meeting was held to get everyone updated on IRWM activities. She provided the SLDMWA Activity Agreement Staff Report for October 2021 for the Board to review.

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

Adam provided a list of members from DPWD that had yet to provide the SJVDA/WSJRWC with missing FE/MWE or 2020 INMPSR paperwork. He noted there was no SJVDA Board Meeting held in the month of October.

C. Sustainable Groundwater Management Activities

Adam provided draft guidelines for the DWR SGM Grant Program SGMA Implementation Round 1 as well as the SLDMWA SGMA Coordination Committee Budget for the Board to review.

9. FINANCIAL MATTERS

A. CVP Financial Matters

Anthea shared an account update on the District's CERBT Account. The CERBT is a program for public agencies to pre-fund their employees' other post-retirement benefits. The District pre-funded it's \$187,579 obligation based on an actuarial valuation done in 2008-09. The District's assets held in the CERBT as of 9/30/21 were \$895,419, which exceeds its current obligations by \$205,935 as of the most recent valuation dated 2/28/21.

B. S&P Water Sector Rating Action of 10/28/21 - Report

Anthea reported that two years ago, the District pursued a credit rating as this was a requirement of establishing financial capability with the Federal Government under the Title XVI Grant Awards for the NVRWP. A credit rating of BBB++ was issued at the time. S&P recently took a summary view that they were going to downgrade the outlook for the water industry sector as a whole. They agreed to meet with Staff in January to try to make sure that all of the data they are using in analyzing the DPWD is accurate, not just based on generalities used for the industry.

C. CVP Financial Matters

Anthea provided the Financial Affairs Committee Contractors Only Meeting notes to outline some of the work being performed by the CVPWA Financial Affairs Committee. A copy of a letter from the Financial Affairs group to Deputy Commissioner Touton expressing frustration that after so many years of work on extended repayment for O&M, Reclamation came out with a policy standard that had a 12 day comment period. Subsequently, Reclamation extended the comment period. Anthea noted that the reason that these standards had been pushed so quickly was due to Congress passing a piece of legislation that sets up a fund of money called the "Aging Infrastructure Account" and absent guidance, the local regional won't have guidance as to how to get that money out or collect repayment or establish cost allocations. Anthea added that in early 2022, a notice should be received about funding that the California Great Basin will be able to distribute to various projects which address infrastructure issues. The Regional Director would be making decisions on who would receive the funding.

10. SUPPLY DEVELOPMENT PROGRAMS

A. Orestimba Creek Recharge & Recovery Project – Update

Adam provided a list of services from Provost & Pritchard and reported that ongoing discussions with the grant administrator for the Stormwater Grant had resulted in a revision to the grant award, as DWR was indicating they could only provide funding to cover the portion of the Project that will directly benefit stormwater recharge. He also shared that Woodard & Curran were contracted to develop the Water Rights Application(s) for Orestimba Creek. Adam also reviewed the Contract Amendment No. 2 from Provost & Pritchard outlining the additional work items required and a request for additional costs and expenses related to that.

B. Del Puerto Canyon Reservoir Project – Update

Anthea provided the Woodard & Curran Progress Report on the DPCR Project for the Board's review.

C. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that the California Water Commission recently provided Los Vaqueros Reservoir Expansion Project with a finding of feasibility. The LVR JPA has been stood up and she attended the first meeting of the JPA Board and was volunteered to be the Vice President. She added that the City of Tracy had recently joined the LVRE SLDMWA Activity Agreement, as they have recently taken more interest in regional projects.

D. BF Sisk Dam Raise Project – Update

Anthea provided the SLDMWA memo on the B.F. Sisk Dam Project for the Board to review. She reported that the current focus was on doing the final feasibility analysis on operations and what the costs would be for this project.

E. Pacheco Reservoir Expansion – Update

Anthea participated in a Zoom meeting held by the Santa Clara Valley Water District pertaining to the Pacheco Reservoir Expansion Project. She reported that Pacheco was advancing and had received additional funding. They will soon be seeking out participation interest from other agencies that may want to purchase storage rights in their facility.

- F. Ceres-DPWD-Turlock Discussions on Advancing Recycled Water into NVRWP Facilities
Anthea reported that she had Karen Morgan, Ceres' Assistant Manager of Operations, visit the District last week and took her on a tour of the NVRWP outfall site. She continues to work with Ceres/Turlock to outline a proposal for advancing additional Ceres wastewater to the Turlock Treatment Plant.

11. ADMINISTRATIVE ACTIVITIES

- A. 2021 Board Member Appointments by Stanislaus County Board of Supervisors
Anthea reminded those Board Members that had just been re-appointed to have their Oath of Office paperwork signed and turned in as soon as possible. She thanked Bill Koster, Pete Lucich and Jarod Lara for accepting another four years in their position.
- B. Solar Development Policy Letter
A copy of the letter written to Stanislaus County regarding the Solar Energy Center Land Use Conversion Guideline Proposal was provided for the Board. Anthea indicated that Staff had yet to receive a response.

12. SLDMWA Report

- A. SLDMWA Minutes, Reports and Issues Updates
Anthea provided the SLDMWA Agenda and Minutes for the Board to review.

14. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Articles pertaining to Kettlemen City's pleas for minimum water supplies, Water Transfer lawsuits, Del Puerto Canyon Reservoir, a Family Farm Alliance November report, a vehicle disposal flyer, and a flyer for Stan 2030 Water Districts Round Table were provided.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 9:53 a.m.

Respectfully submitted,



Anthea G. Hansen
Secretary