

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY BOARD OF  
DIRECTORS REGULAR TELEPHONIC MEETING  
MINUTES FOR JANUARY 13, 2022

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 9:30 a.m. via teleconference in accordance with Government Code section 54953(e) and Resolution No. 2021-498 adopted by the San Luis & Delta-Mendota Water Authority Board of Directors on December 14, 2021, with Chair Cannon Michael presiding.

**Directors and Alternate Directors in Attendance**

**Division 1**

David Weisenberger, Director  
Vince Lucchesi, Alternate for Bobby Pierce  
Anthea Hansen, Director  
Rick Gilmore, Director - Lea Emmons, Alternate

**Division 2**

Ryan Ferguson, Director  
William Bourdeau, Director  
Ara Azhderian, Alternate for Michael Linneman

**Division 3**

Dan McCurdy, Director  
Chris White, Director  
Cannon Michael, Director  
Ric Ortega, Director - Ellen Wehr, Alternate

**Division 4**

John Varela, Director  
Gary Kremen, Director - Richard Santos, Alternate  
Jeff Cattaneo, Director  
Sara Singleton, Alternate for Joe Tonascia

**Division 5**

Bill Pucheu, Director  
Tom Birmingham, Director  
Manny Amorelli, Director

**Authority Representatives Present**

Federico Barajas, Executive Director  
Pablo Arroyave, Chief Operating Officer  
Frances Mizuno, Special Projects Administrator  
Rebecca Akroyd, General Counsel  
Joyce Machado, Director of Finance  
Lauren Neves, Accountant III  
Cathy Bento, Accountant II  
Darlene Neves, Operational Accounting Supervisor  
Jaime McNeill, Engineering Manager  
Bob Martin, Facilities O&M Director

Stewart Davis, IT Officer  
Gerald Robbins, Special Programs Manager

Others in Attendance

Dana Jacobson, Valley Water  
Dennis Cardoza, Foley & Lardner, LLP  
Mike Wade, California Farm Water Coalition  
John Wiersma, Henry Miller Reclamation District  
Steve Stadler, San Luis Water District

1. Call to Order/Roll Call

The meeting was called to order by Chair Cannon Michael and roll was called.

2. Board to Consider Additions or Corrections to the Agenda of Items, as authorized by Government Code Section 54950 et seq.

No additions or corrections.

3. Opportunity for Public Comment

Chair Cannon Michael congratulated Gary Kremen on being elected as Valley Water's Board Chair. Alternate Director Richard Santos thanked Mike Wade for his Mercury News editorial.

CONSENT ITEMS

4. Agenda Items 4-6: Board to Consider: a) December 9, 2021 Meeting Minutes, and December 14, 2021 Special Meeting Minutes b) Acceptance of the Financial & Expenditures Reports, c) Staff Reports.

On a motion of Director Rick Gilmore, seconded by Director Bill Pucheu, the Board accepted the December 9, 2021 Meeting Minutes (with two minor changes), December 14, 2021 Special Meeting Minutes, Financial Expenditures Reports, and Staff Reports. The vote on the motion was as follows:

AYES: Weisenberger, Lucchesi, Hansen, Gilmore, Ferguson, Bourdeau, Azhderian, McCurdy, Michael, Ortega, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli

NAYS: None

ABSTENTIONS: None

ACTION ITEMS

5. Agenda Item 7: Board of Directors to Consider Adopting Resolution Re-Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsom (Mar. 4, 2020), Proclaiming the State of Emergency Continues to Directly Impact the Ability of Members of the Legislative Bodies of the San Luis & Delta-Mendota Water Authority to Meet Safely in Person, and Re-

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**Authorizing Remote Teleconference Meetings for Such Legislative Bodies for the Period January 13, 2022 through February 12, 2022 Pursuant to Brown Act Provisions.**

General Counsel Rebecca Akroyd reported that the Authority would like to allow the opportunity to conduct business remotely in compliance with Government Code section 54953(e). Akroyd reported that staff is proposing adoption of a new resolution, and as drafted, the resolution, which will take the Authority through February 12, 2022, makes all the requisite findings to continue to meet via teleconference pursuant to AB 361.

On a motion of Director Tom Birmingham, seconded by Director Chris White, the Board adopted the Resolution Re-Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsom (Mar. 4, 2020), Proclaiming the State of Emergency Continues to Directly Impact the Ability of Members of the Legislative Bodies of the San Luis & Delta-Mendota Water Authority to Meet Safely in Person, and Re-Authorizing Remote Teleconference Meetings for Such Legislative Bodies for the Period January 13, 2022 through February 12, 2022 Pursuant to Brown Act Provisions. The vote on the motion was as follows:

AYES:	Weisenberger, Lucchesi, Hansen, Gilmore, Ferguson, Bourdeau, Azhderian, McCurdy, White, Michael, Ortega, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli
NAYS:	None
ABSTENTIONS:	None

**6. Agenda Item 8: Board of Directors to Consider Adopting Resolution Making Single Source Findings and Authorizing Execution of Single Source Contract for Purchase of Flowmeters from McCrometer, Inc. and Expenditure of up to \$255,000 from the FY22 EO&M Budget.**

Chief Operating Officer Pablo Arroyave reported that the Authority is again pursuing a single-source contract with McCrometer, Inc. for the purchase of sixty-two Water Specialties flowmeters to complete Phase II of the project. Arroyave reported that the purchase of the flowmeters is required to interface with the newly replaced flowmeters from Phase I, and the newly implemented water accounting software (STORM). Arroyave reported that the Authority has partially implemented an automated meter reading and reporting process through standardized flowmeters and STORM in a three phase process. Arroyave reported that the same flowmeters purchased during Phase I need to be purchased in Phase II (and ultimately in Phase III) in order to accomplish the final goal of a system of equipment that functions seamlessly together. Arroyave reported that under current water flowmeter operations, excluding Phase I flowmeters, it could take upwards of a month to discover a potential problem with the flowmeter and an additional two weeks for repair, if needed. Arroyave reported that the automated system developed with Phase I cannot be fully functional until all flowmeters have been upgraded. Arroyave reported that once fully implemented, the automated database will allow Water Operations to match water orders with flowmeter data to better manage water deliveries, and be alerted

in case of turnout malfunctions. Arroyave reported that this single-source authorization of Phase II of III will accelerate the full replacement and modernization of the flowmeters over the next two (2) Fiscal Years. Arroyave reported that the FY22 EO&M Budget includes \$250,000 for this purchase, and the overage is covered within the broader EO&M budget.

On a motion of Director Dave Weisenberger, seconded by Director Tom Birmingham, the Board Adopted the Resolution Making Single Source Findings and Authorizing Execution of Single Source Contract for Purchase of Flowmeters from McCrometer, Inc. and Expenditure of up to \$255,000 from the FY22 EO&M Budget. The vote on the motion was as follows:

- AYES: Weisenberger, Lucchesi, Hansen, Gilmore, Ferguson, Bourdeau, Azhderian, McCurdy, White, Michael, Ortega, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli
- NAYS: None
- ABSTENTIONS: None

**7. Agenda Item 9: Board of Directors to Consider Finance & Administration Committee Recommendation Regarding Approval of Fiscal Year 2023 Operations and Maintenance (O&M) Budget.**

Executive Director Federico Barajas introduced the item and then referred to Chief Operating Officer Pablo Arroyave for further review. Arroyave reviewed prior discussions regarding salaries and the need for budget reductions. Arroyave stated that the RO&M budget increased 13% and the EO&M budget decreased 14.5% after removing budgeted road maintenance costs, for an overall O&M budget decrease of 1.5% from the prior year. Arroyave explained that the budget includes a 5% salary increase for employees and accounts for increases in health insurance costs.

Director of Finance Joyce Machado reviewed illustrated O&M only water rates, and the major drivers for increases.

On a motion of Director Rick Gilmore, seconded by Director Bill Pucheu, the Board approved the Fiscal Year 2023 Operations and Maintenance (O&M) Budget. The vote on the motion was as follows:

- AYES: Weisenberger, Lucchesi, Hansen, Gilmore, Ferguson, Bourdeau, Azhderian, McCurdy, White, Michael, Ortega, Varela, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli
- NAYS: None
- ABSTENTIONS: None

**REPORT ITEMS**

**II. Agenda Item 10: Report on State and Federal Affairs.**

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Bill Ball reported on Federal Administration confirmations and nominations, including Ms. Martha Guzman being named as EPA Region 9 Administrator.

Ball reported that the White House appears to be aiming for release of President Biden's fiscal 2023 budget in March, a month after the statutory deadline, which is the first Monday in February. Ball reported on a possible delay in release of the budget.

Ball reported that Reclamation has already initiated the first application period for Extraordinary Maintenance (XM) projects that will address aging water and power infrastructure across the West. Ball reported that newly enacted funding from the Infrastructure Investment and Jobs Act (IIJA) will be applied to the program following the new application period requirements set out in the separate Consolidated Appropriations Act of 2021 which became law in December of 2020. Ball reported that with the recent passage of the IIJA, there is \$3.2 billion over five years in the Aging Infrastructure Account to be used for extraordinary maintenance needs. Ball reported that the first application period opened on December 16, 2021 and will close on January 31, 2022. Ball reported that staff encourages anyone interested in applying for this program to contact your local Reclamation Area Office as soon as possible if you are interested in applying for one of these loans.

Ball reported that Reclamation released their spending plan for the \$210 million provided in the Extending Government Funding and Delivery Emergency Assistance Act FY 2022 continuing resolution. Ball reported that the legislation provided Reclamation with \$200 million to address drought conditions throughout the West, as well as \$10 million for fire remediation and suppression emergency assistance related to wildfires.

Ball reported that the Food and Drug Administration (FDA) is proposing to amend the agricultural water provisions of the produce safety regulation (PSR) that covered farms have already found to be complex and challenging to implement. Ball reported that the proposed rule, if finalized, would change certain pre-harvest agricultural water requirements for produce and farms subject to the regulations, other than sprouts operations. Ball reported that Authority-allied organizations participated last month in an online seminar on FDA's proposed rule. Ball reported that the FDA intends to continue working closely with stakeholders to provide necessary training, technical assistance, education and outreach. Ball reported that the Authority will work with Family Farm Alliance, Western Growers, and other organizations as we develop potential comments for the FDA. Electronic or written comments on the proposed rule must be submitted to FDA by April 5, 2022.

Dennis Cardoza provided a brief update on several items including the Build Back Better Bill.

Kristin Olsen reported Lawmakers are back in Sacramento for the second year of their two-year legislative session, and on Monday, Governor Gavin Newsom unveiled his spending proposal for how to spend a second year of record budget surpluses. Olsen reported that bills left over from last year have until the end of the month to leave their house of origin. Olsen reported that early fights are expected

over hot-button topics like single-payer health care, sick leave benefits and employer-funded child care.

Olsen reported that two Committees of significant interest to Authority interests, the Assembly Appropriations and Assembly Water, Parks and Wildlife Committees, now have new Chairs. Olsen reported that the Chair of the Appropriations Committee has shifted from Assembly member Lorena Gonzalez to Assembly member Chris Holden (out of Pasadena area) and the Chair of the Water, Parks, and Wildlife Committee has shifted from Assembly member Eddie Garcia to Assembly member Rebecca Bauer-Kahan (out of Livermore/San Ramon).

**12. Agenda Item 11: Review of Bond Financing and Draft Project Agreements for San Luis Transmission Project.**

Special Projects Administrator Frances Mizuno reported that additional information will be provided at the San Luis Transmission Project (SLTP) workshop on January 20, 2022. Mizuno reported that the latest draft agreements will be provided and reviewed at that time as well. Mizuno reported that the Transmission Service Request has been submitted to Western Area Project Administration (WAPA) and all application fees and deposits have been paid. Mizuno reported that the Authority is waiting for Golden State Clean Energy (GSCE) to withdraw their application in order for the Authority to be active in the queue for SLTP. Mizuno reported that the Authority has begun negotiations with GSCE on a term sheet, and will enter into a letter of intent to include terms agreed to as well as an agreement that the Authority will continue to work on a final transmission service agreement with GSCE. Mizuno reported on several different agreements, financing, and bond issuance, and further detail will be provided at the SLTP Workshop.

**13. Agenda Item 12: Executive Director's Report.**

a) **DMC Subsidence Correction Project** - Executive Director Federico Barajas provided an update regarding state funding assistance for the DMC Subsidence Correction Project through the Department of Water Resources (DWR). Barajas reported that the Authority has been closely coordinating with DWR and drafting information that DWR is requesting relating to state funding that has become conditionally available for the advancement of this project. Barajas also reported that an RFP was issued to bring a consultant on board to help with the required feasibility level analysis, and staff will be looking at proposals from interested firms and keeping the Board updated.

b) **B.F. Sisk Dam Raise and Reservoir Expansion Project** - Executive Director Federico Barajas reported that the draft addendum to the feasibility report is under internal review by Reclamation. Barajas reported that there was a technical team meeting held last month regarding next steps of this project. Barajas reported that staff is putting together notes and items from that meeting to initiate an Activity Agreement. Staff anticipates holding another

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technical team meeting that would include Reclamation to allow them to help better frame important issues. Barajas reported that the Authority would develop an RFP and the Activity Agreement for the planning process, and bring them both to the Water Resources Committee and Board next month.

- c) **Leg Ops/General Membership Cost Allocation Discussion** – Executive Director Federico Barajas reviewed the recommendation of the Water Resources Committee to approve the FY23 Activity Budget. Barajas then noted a request to revisit the cost allocation methodology for both the General Membership and Leg Ops funds. After further discussion with the Finance & Administration Committee (FAC), a decision was made to have Authority staff look into various alternative scenarios and then have the committee convene for a special FAC workshop January 28, 2022 to discuss options.

14. **Agenda Item 13: Chief Operating Officer's Report.**

Chief Operating Officer Pablo Arroyave reported that the reassembly of Unit 1 at Jones Pumping Plant continues, and is on schedule to begin testing the week of January 31, 2022.

Arroyave reported that the O'Neill Unit 4 shaft is not as straight as required, and a new shaft needs to be procured or fabricated. Arroyave reported that a vendor has been found, and the hope is to have the unit back online in February.

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

Chief Operating Officer Pablo Arroyave provided a brief summary of Tom Boardman's reported included in the packet.

Arroyave reported there was good precipitation in December, but the next 14-day forecast is dry.

Arroyave reported that Shasta storage is about 1.41 MAF – an increase of almost 300 TAF from a month ago. Although precipitation in the Shasta basin is about 140% of average, reservoir inflows have been less than expected, possibly because the precipitation has come more as snow rather than rain or because of drought-related dry soil conditions. As such, the current storage is about 100 TAF less than projected in Reclamation's latest operations forecast under a 50% exceedance hydrology.

Arroyave reported that Folsom storage recently refilled to 587 TAF and has since decreased to 572 TAF due to releases to meet flood control requirements. With snowpack in the basin at 140% of average, it appears certain that the reservoir will fill by May when the peak snow melt occurs. The current storage is trending higher than Reclamation's latest forecast under a 50% exceedance hydrology.

Arroyave provided status update regarding Jones pumping plant operations and reported that the CVP's share of the San Luis Reservoir (SLR) is about 128 TAF.

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

- a. **Water Resources Committee** – Chair Tom Birmingham reported that the committee met, and addressed agenda items.
- b. **Finance & Administration Committee** – Chair Rick Gilmore reported that the committee met, and addressed agenda items.
- c. **O&M Committee** – No report.

17. **Agenda Item 16: Outside Agency/Organization Reports.**

- a. **State and Federal Contractors Water Agency (SFCWA)**

No report.

- b. **Family Farm Alliance (FFA)**

Report included in the packet.

- c. **Farm Water Coalition.**

Mike Wade reported that the SMUD Science & Curiosity Museum opened in mid-November, and it is an educational jewel for the region. Wade reported that they have three exhibits in the museum; 1) Is water needed to grow a healthy diet?, 2) Water use efficiency, and 3) Storage and Conveyance. The exhibits include five farmers from around the state, including Chair Cannon Michael.

- d. **Association of California Water Agencies**

Chair Cannon Michael announced that General Counsel Rebecca Akroyd was chosen as the Legal Affairs Committee Vice-Chair.

Director John Varela reported that the ACWA Regions are having their Board Orientation meetings introducing the new Chairs that go into effect this year.

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

No report.

- f. **CVPWA**

Director Anthea Hansen reported that the Financial Affairs committee is meeting next Tuesday.

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

No report.

19. **Agenda Items 18-19: Closed Session Report.**

Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:20 a.m. Upon return to open session at approximately 11:42 a.m., General Counsel Rebecca Akroyd reported that direction to intervene in two actions has been given, and the actions, the defendants, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry. The vote on that action of every member was as follows:

AYES: Weisenberger, Lucchesi, Hansen, Ferguson, Bourdeau, Azhderian, McCurdy, White, Michael, Ortega, Varela, Kremen, Cattaneo, Singleton, Pucheu, Birmingham, Amorelli

NAYS: None

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ABSTENTIONS: None

20. Agenda Item 20: Reports Pursuant to Government Code Section 54954.2 (a) (3)

No reports.

21. Agenda Item 21: Adjournment.

The meeting was adjourned at approximately 11:43 a.m.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY SPECIAL TELEPHONIC MEETING OF THE BOARD OF DIRECTORS / JOINT SPECIAL TELEPHONIC WORKSHOP OF THE BOARD, WATER RESOURCES COMMITTEE, AND FINANCE & ADMINISTRATION COMMITTEE MEETING MINUTES FOR JANUARY 20, 2022

The Board of Directors of the San Luis & Delta-Mendota Water Authority convened at approximately 9:10 a.m. via teleconference in accordance with Government Code section 54953(e) and Resolution No. 2021-499 adopted by the San Luis & Delta-Mendota Water Authority Board of Directors on December 14, 2021, with Chair Cannon Michael presiding.

**Directors and Alternate Directors in Attendance**

**Division 1**

Rick Gilmore, Director - Lea Emmons, Alternate

**Division 2**

William Bourdeau, Director

Ara Azhderian, Alternate for Michael Linneman

Bill Diedrich, Director

**Division 3**

Cannon Michael, Director

Ric Ortega, Director

**Division 4**

John Varela, Director - Aaron Baker, Alternate

Richard Santos, Alternate for Gary Kremen

Jeff Cattaneo, Director

Sara Singleton, Alternate for Joseph Tonascia

**Division 5**

Tom Birmingham, Director - Jose Gutierrez, Alternate

**Water Resources Committee Members Present**

**Ex-Officio**

Cannon Michael

William Bourdeau

**Division 1**

Absent

**Division 2**

Bill Diedrich, Member

**Division 3**

Ric Ortega, Alternate

**Division 4**

Vincent Gin, Member - Jeff Cattaneo, Alternate

**Division 5**

Tom Birmingham, Member

Finance & Administration Committee Members Present

Ex-Officio

Cannon Michael  
William Bourdeau

Division 1

Rick Gilmore, Member

Division 2

Bobbie Ormonde, Member

Division 3

Absent

Division 4

Sara Singleton, Member - Dana Jacobson, Alternate

Division 5

Absent

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Authority Representatives Present

Federico Barajas, Executive Director  
Pablo Arroyave, Chief Operating Officer  
Rebecca Akroyd, General Counsel  
Scott Petersen, Water Policy Director  
Joyce Machado, Director of Finance  
Laurent Neves, Accountant III  
Darlene Neves, Operational Accounting Supervisor  
Frances Mizuno, Special Projects Administrator  
Stewart Davis, IT Officer

Others in Attendance

Steve Stadler, San Luis Water District

1. Call to Order/Roll Call

The meeting was called to order by Chair Cannon Michael and roll was called.

2. Board to Consider Additions or Corrections to the Agenda of Items, as authorized by Government Code Section 54950 et seq.

General Counsel Rebecca Akroyd reported that the numbering on the Agenda is incorrect. Akroyd reported that the first action item should be number 4, and the rest should follow sequence.

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3. Opportunity for Public Comment

None.

ACTION ITEMS

4. Board of Directors to Consider Authorizing Execution of Letter of Intent to Execute Transmission Service Agreement for 600 MW of South to North Capacity on the San Luis Transmission Project between San Luis & Delta-Mendota Water Authority and Golden State Transmission, LLC.

Special Projects Administrator France Mizuno reported that the Board authorized the issuance of revenue bonds to fund the construction of the San Luis Transmission Project (SLTP) at the October 7, 2021 Board meeting. Mizuno reported that with the Authority financing and providing the funds to Western Area Power Administration (WAPA) to construct the SLTP, the Authority will have the rights to the full 600 MW of bi-directional capacity. Mizuno reported that because the SLTP is being built for the benefit of the CVP water contractors, the Authority will reassign 400 MW of north to south capacity to WAPA to be reserved to serve Federal Reclamation (CVP) loads. Mizuno reported that the remaining capacity will be marketed by the Authority to third parties to earn revenue to offset the cost of financing. Mizuno reported that Golden State Transmission, LLC (GST) has expressed interest in financing the SLTP as well as contracting for transmission service for the 600 MW of south to north capacity. Mizuno reported that after Duke American Transmission Company dropped out of the SLTP, GST submitted Transmission Service Requests (TSR) to WAPA for transmission interconnection from Dos Amigos to Tracy and became first in line in WAPA's queue. Mizuno reported that this is the same interconnection needed for the SLTP. Mizuno reported that although the Authority has also submitted TSRs for the SLTP, because GST submitted their TSRs before the Authority, they are ahead of the Authority in the queue. Mizuno reported that in order for the Authority to proceed to fund and build the Project, GST will need to withdraw their TSR to allow the Water Authority to replace GST in the queue. Mizuno reported that Golden State Clean Energy (GSCE), the parent company to GST, is developing the solar project that will utilize the SLTP. Mizuno reported that GSCE has submitted a bid to the Balancing Authority of Northern California (BANC) to sell solar energy to the BANC members using the SLTP transmission.

Mizuno then introduced Patrick Mealoy and Bob Dowd from GSCE to provide a brief background.

Mizuno reported that the Authority has negotiated terms for a Transmission Service Agreement with GST for the 600 MW of south-north capacity of the SLTP and the key provisions of the LOI/termsheet are: 1) following execution, GST will immediately withdraw its TSR with WAPA; 2) following execution, the Water Authority will enter into negotiations to develop a mutually agreed upon TSA with GST; 3) the GST TSA will require Board approval after the Water Authority has executed the PDA and TSAs with WAPA; 4) the pricing term is a fixed rate of \$7.00 million per year for the 35-year term and

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50% of the actual OM&R cost capped at \$1.1 million escalated annually at two percent for the term of the agreement; and 5) GST will support and potentially take the lead in marketing the remaining north to south capacity to third parties. Revenue from the transmission capacity sale will be shared 50/50 between GST and the Water Authority.

Staff answered questions posed by Board and Committee members.

On a motion of Director Rick Gilmore, seconded by Director John Varela, the Board Authorized Execution of Letter of Intent to Execute Transmission Service Agreement for 600 MW of South to North Capacity on the San Luis Transmission Project between San Luis & Delta-Mendota Water Authority and Golden State Transmission, LLC. The vote on the motion was as follows:

AYES:	Gilmore, Bourdeau, Azhderian, Diedrich, Michael, Ortega, Varela, Santos, Cattaneo, Singleton, Birmingham
NAYS:	None
ABSTENTIONS:	None

**REPORT ITEMS**

**5. Review of Bond Financing and Draft Project Agreements for San Luis Transmission Project.**

Executive Director Federico Barajas introduced the item. Special Projects Administrator Frances Mizuno reviewed the San Luis Transmission Project briefing, which was included in the packet. Mizuno reported on the following subjects.

- **Transmission Service Request for SLTP -600 MW bi-directional capacity**
- **Project Development Agreement**
  - 35-year agreement to be consistent with the term of bond payments.
  - Authority to provide \$317M construction funding to WAPA.
  - Authority to obtain 600 MW of bi-directional capacity through Transmission Service Agreements (TSA).
  - Assignment of 400 MW of N-S capacity rights to WAPA reserved to serve Federal Reclamation (CVP) loads through a Transmission Service Agreement for 35 years. After 35 years, the capacity rights will be permanently assigned to WAPA for Reclamation use.
  - WAPA will own, operate, and maintain the SLTP.

Mizuno highlighted outstanding issues being addressed in the draft agreement.

Kevin Smith, outside counsel with Braun, Blaising, Smith, and Wynne, discussed preservation of long-term transmission service rights in the event WAPA joins an RTO or ISO.

Doug Brown, outside counsel with Stradling, Yocca, Carlson, further discussed the implications of a delay in completion of the SLTP. The Board provided guidance to have staff draft a Plan B option utilizing an Activity Agreement whereby Authority members would backstop payment of the Bond in the event of a Project construction delay.

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Robert Porr and Cameron Park also reviewed a PowerPoint presentation regarding Bond assumptions and financing options.

Throughout the presentation, Mizuno, consultants, and staff, answered questions.

6. **Executive Director's Report.**

Executive Director Federico Barajas reported that there is a Joint Special Telephonic Workshop of the Finance & Administration Committee, Board of Directors, and Water Resources Committee scheduled for Friday, January 28, 2022, 2:00 p.m.

7. **Agenda Items 7-9: Closed Session.**

No closed session.

8. **Agenda Item 10: Reports Pursuant to Government Code Section 54954.2(a)(3).**

No reports.

9. **Agenda Item 11: Adjournment.**

The meeting was adjourned at approximately 11:25 a.m.

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February 10, 2022

To: Pablo Arroyave, Chief Operating Officer

From: Bob Martin, Facilities O&M Director

Subject: O&M Report for January 2022

### Operations Department

The C.W. "Bill" Jones Pumping Plant (JPP) operated with 2-5 units through January. The average rate of pumping for the JPP was 3,763 cfs for the month of January.

Total pumping at the JPP for January was 231,354 acre-feet. The O'Neill Pump/Generating Plant (OPP) generated 0 acre-feet, and pumped 185,961 acre-feet for the month of January. A total of 24,494 acre-feet was pumped at the Delta-Mendota Canal/California Aqueduct Intertie Plant (DCI) and 0 acre-feet was reversed from the California Aqueduct to the DMC.

The Federal share in the San Luis Reservoir at the end of January was 314,604 acre-feet as compared to 375,126 acre-feet at the end of January, 2021.

During the month of January, releases from Friant Dam ranged from 472 to 652 cfs with 8,994 AF entering the Mendota Pool. Flows past the Mendota Dam for the San Joaquin River Restoration Program (SJRRP) were 8,890 AF for the month of January.

Canal Operations staff performed open channel and closed-pipe flow measurements, routine patrols, bi-weekly meter readings, water samples, well soundings, and meter maintenance during the month. Coordinated flow testing was also conducted with the USBR and CADFW in the Volta Wildlife Area, testing at the San Joaquin Bifurcation Structure to assist in flow meter calibration, and with the USBR at the Sack Dam to confirm SJRRP flows.

Control Operations switching/clearance placements performed this month:

- C-21-JP-78 JPP Unit 1 Stator Rewind, rotor rehab and suction elbow entry
- C-21-JP-78A JPP Unit 1 Rewind, suction elbow
- C-21-DCI-79 DCI 4160 Volt bus de-energization for fan work
- C-21-ON-80 OU4 Oil investigation, cleanup and distributor rod repair
- C-21-DCI-52 DCI Unit 4 investigate conduit penetration
- C-22-DMC-01 DMC meter box repair MP 63.96
- C-22-DMC-02 Westley Wasteway pipeline installation
- C-22-ON-03 OU1 Internal investigation
- C-22-JP-04 JPP Unit 6 motor enclosure entry

### **Civil Maintenance Department**

The Civil Maintenance crews worked on the following projects this month:

- Westley Wasteway weir and pipeline crossing installation
- Drain inlet and overchute cleaning
- Grading and repair of JPP intake channel, and DMC operating roads
- O&M road pothole repair
- USBR assistance at Tracy Fish Collection Facility (TFCF)
- OPP Unit 1 support
- DMC erosion repair
- TFO water settling basin leak repair
- Install security gates and wing fences
- Garbage collection on DMC and Wasteways
- Chemical and mechanical weed control on DMC and SLD
- Installation of stairs and handrails to DMC turnout gates and meters
- Maintenance and repairs to float lines, signs, fences, guard rails and gates

### **Plant Maintenance Department**

The Plant Maintenance crews worked on the following projects this month:

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

- JPP Unit 1 reassembly
- DCI UPS replacement
- Tracy Vehicle Maintenance Shop AC replacement
- TFO & JPP lighting repair
- Switchgear buildings maintenance
- TFO communication/network repair
- Check 17 communication loss troubleshooting

#### **Mechanical Staff:**

- JPP Unit 1 rewind support
- JPP Unit 1 shaft alignment
- JPP Unit 6 cooling water line repair
- OPP actuator rod repair
- OPP Unit 4 oil leak clean up
- OPP Unit 6 stuffing box packing repair
- OPP Unit 1 internal inspection and repairs

### **USBR Support Services**

Water Authority crews performed the following work at USBR facilities this month:

- TFCF trash rack cleaning support

### **Engineering Department**

The Engineering staff worked on the following projects this month:

- JPP Unit 1 rewind project, including thrust bearing inspection and repairs
- JPP Unit 4 rewind project
- JPP switchgear buildings relay settings update
- Upper DMC 3G to 4G communication upgrades
- Data management of well readings and creation of Warren Act hydrographs
- TFCF secondary channel equipment support
- JPP/OPP electrical drawings update
- JPP industrial water settling basin repair

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- TFO canal maintenance yard storm drainage design
- JPP Asphalt repair design
- O&M PM setup and asset management in NetSuite
- OPP Unit 3 vane control calibration
- TFO breaker modifications per 2018 JPP Arc Flash Study
- OPP cooling water system rehabilitation
- Tracy Switchyard Bldg UZ11A bushing box replacement and repairs
- OPP concrete wall cracks monitoring.
- OPP service water pump rehabilitation
- OPP Unit 1 enclosure tube repair
- OPP Unit 4 distributor leak repair
- OPP Unit 4 rotor and stator electrical tests with NEC
- OPP oil tanks foundation removal

### **Land Management Activity Summary**

The Engineering staff issued five (5) access permits this month:

- Access permit P2202028 was issued to Central California Irrigation District to modify the existing turnout to accommodate farming practices (USBR License 19-LC-20-2410) located on the Delta-Mendota Canal at Milepost 84.39-L.
- Access permit P2202031 was issued to Del Puerto Water District to replace the existing electrical conduit servicing the pump motor on the Delta-Mendota Canal at Milepost 33.90-R.
- Access permit P2202032 was issued to Pacific Gas & Electric Company to access private lands using the Delta-Mendota Canal roadway from Milepost 56.60-R to Milepost 55.92-R.
- Access permit P2202033 was issued to Del Puerto Water District to reinstall the pump and motor to the turnout located on the Delta-Mendota Canal at Milepost 34.63-R.
- Access permit P2202035 was issued to Del Puerto Water District to replace the existing underground pipeline servicing the turnout on the Delta-Mendota Canal at Milepost 66.73-L.

The Engineering staff were involved with the following land management projects this month:

- Coordination meeting with the City of Tracy on development
- Development of Land Management requirements for adjacent developments
- Orestimba Creek Recharge Project
- Santa Nella WD Sewer and Water Crossing
- Costco Annexation Project, Tracy, CA
- Tracy Hills Commerce Center, Tracy, CA
- Schulte Warehouse Annexation, Tracy, CA
- City of Patterson – Sperry Road developments & Baldwin Ranch comments
- International Parkway Bridge Replacement, PROLOGIS -Tracy, CA – Performed 2<sup>nd</sup> plan review and provided comments
- PGE pipeline relocation @ MP92.73 - ongoing

## Safety Department

The Safety Department worked on the following items this month:

- Provided Job Hazard Analysis support for the crews.
- Conduct Weekly Safety Tailgate talks with Maintenance and Operations crews.
- Sent out Weekly Safety Tailgate Topics – 1-1 Driving in the Fog, 1-2 Eye Safety, 1-3 Slips, Trips and Falls, 1-4 Ergonomics
- Provided Safety Message for January 2022 Monthly Newsletter – 1/2022 Building Safety Habits
- Conduct Site Safety Inspections
- Provide Permit Required Confined Space – Rescue Standby at OPP

## Work & Asset Management and Procurement Department

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

### Contracts/PO Agreements/LOA's Status Update

- F22-OPP-059 - OPP Main Transformer Rehabilitation solicitation document development in progress. Estimated release date is planned for February/March 2022. As of January, edits still in progress.
- F22-DMC-065- Feasibility Study Notice of Intent to Award sent to CDM Smith on 1/26, pending board approval on 2/10
- F22-DMC-069 Cellular Gateway Migration- Final parts delivered, final closeout procedures to be completed in February.
- F22-JPP-071- RFQ/Single Source contract draft prepared for JPP Building UZ11A Bushing Replacement (Proprietary). Memo and Single source prepared for 2/10 BOD approval.
- F22-JPP-070 - RFP prepared for Investment Advisory Services. Executives/Procurement have been finalizing RFP. Anticipated release date February.
- F22-DMC-073 RFP for Risk Dam Raise and Reservoir Expansion Project prepared- To be released in February
- F22-OPP-072- Actuator Rod Repair RFQ. Vendor declined to quote. Resoliciting in February.

### Ongoing:

- Purchasing in support of the O&M crews, and maintaining/replenishing warehouse stock
- Warehouse receiving, stocking, and distribution
- Invoicing/vendor bills/vendor credits processing
- Janitorial cleaning & disinfecting per COVID-19 guidelines
- Contract Management/Administration Activities, including bi-weekly contract update meetings with Engineering staff
- Developing/implementing purchasing/procurement and asset/inventory procedures/boilerplate templates
- Bi-weekly WAM & Procurement staff meetings to discuss updates/issues
- Contract invoice payment reviews, invoice disputes as needed, invoice payments
- Continuous testing for improvements to procedures in NetSuite, as well as ongoing issues related to NetSuite constraints
- Establishing/Developing Blanket Contracts and PO agreements
- Reviewing and closing out old/open PO's in NetSuite

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## Information Technology Department

The Information Technology Department worked on the following items this month:

- NetSuite
  - Online training, user and administration
  - Bi-weekly Implementation Team meetings
- Continuing support for our "Work at Home" users
- Assisted with monthly FAC, WRC and BOD meetings with Zoom
- Desktop support calls.
- Planning server refresh
- Planning laptop refresh
- Planning upgrading/replacing copiers
- Monitor Symantec Anti-Virus Management Console
- Ongoing support to SCADA with 3g to 4g cell migration for DMC check structures
  - Worked with vendors; AT&T, VOLO and T-Mobile
- Security updates on servers
- Update firmware on firewall
- Update additional AV security settings

## Human Resources Department

The Human Resources Department worked on the following items this month:

### General Administrative Activities:

- Recruitments:
  - Heavy Equipment Operator, Tracy (continued recruitment)
  - Hydro Electric Electrician, Tracy (continued recruitment)
  - Plant Engineer, Tracy (continued recruitment)
  - Maintenance Workers, Tracy (interviews, candidates selected)
  - Apprentice Control Operator (internal candidate selected)
  - Apprentice O'Neill Plant Mechanic (internal candidate selected)
  - Hydro Electric Maintenance Planner (Internal recruitment)
  - Inventory Control Clerk (new recruitment)
  - Background checks for PIV cards (continuing)

### Trainings/ Conferences:

- Remain up to date with webinars to ensure compliance with new legislation as it pertains to COVID-19
- Cyber Security Training (all staff being scheduled for training)
- Sexual Harassment Prevention Training (staff being scheduled for bi-annual training)

### Government Reporting:

- Merced County Public Health COVID Reporting (on-going)
- State Controller's Report (completed)
- CalPers Report (completed)
- EEO-4 report (completed)
- Affirmative Action report (in progress)
- Federal Contractors Portal (OFCCP)

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Ongoing:

- COVID Protocols
- FMLA notices/follow ups
- COBRA notices/follow ups
- Worker's Comp follow ups
- Monthly safety points distribution
- Health benefits eligibility/employee assistance
- Maintain OSHA logs for calendar year
- Wellness program

## **EXTRAORDINARY O&M & CAPITAL PROJECTS**

### **DELTA-MENDOTA CANAL (DMC)**

#### **Bridge Abutment Repair at MP 92.73**

Status: The abutment repair is on hold until PG&E relocates the pipeline. The 6-inch pipe owned by PG&E that crosses under the bridge, adjacent to the abutment, is the main transmission line for the City of Dos Palos. All parties have agreed that it would be a safety hazard to conduct work with the gas line in place, and PG&E is currently planning to remove the existing pipeline from the bridge and HDD install a new pipeline under the canal. PG&E has Provided 60% design review Plans for USBR and SLDMWA review. Final plans are anticipated to be ready in summer with construction planned in the late summer to fall timeframe. PG&E, SLDMWA, and Reclamation are meeting monthly to keep the project moving forward.

#### **DMC Subsidence Correction Project**

Status: SLDMWA is working closely with Reclamation to complete the tasks identified in the Financial Assistance Agreement (FA Agreement) that was executed on 9/24/2021 after acquiring Board approval. Phase 1 Geotechnical work has been completed and funding will be reimbursed as a pre-incurred task identified in the FA Agreement. SLDMWA completed the Feasibility Study Request for Proposals and posted publically on November 19<sup>th</sup>. The RFP includes Cultural and Environmental efforts in addition to the Feasibility Report. A total of two proposals were received on January 11<sup>th</sup>. An evaluation team consisting of USBR and SLDMWA staff reviewed and ranked the proposals and interviewed the Consultants. CDM Smith came in as the lowest qualified consultant in the amount of \$2.4M. A Notice of Intent to Award was issued to CDM Smith on January 26, 2022. The Notice of Award is scheduled to be sent February 10, 2022, pending Board approval. The deliverables of the Feasibility Report are expected to be completed in approximately one year, with certain environmental permitting extending longer if needed.

SLDMWA continued working with DWR to provide adequate information regarding the DMC Subsidence Project to be eligible to receive state funding. The work plan, budget, and cash flow exhibits were revised and resubmitted.

The SLDMWA continues to provide support to Reclamation as they manage the construction contract with Unico Services to install the two additional pumps at the DMC/CA Intertie Pumping Plant (DCI). Mobilization is scheduled to occur on February 7<sup>th</sup>, with a project completion date of March 31.

## **EXTRAORDINARY O&M & CAPITAL PROJECTS**

### **DMC Turnout Flowmeter Upgrade Program – Phase 2**

Status: Phase 2 is underway, SLDMWA is in contract with McCrometer for the purchase of 62 Water Specialty flowmeters equipped with telemetry through the SLDMWA single-source procedure. The contract was executed after the January 2022 board meeting. The first batch of flowmeters are currently being manufactured, and schedule for delivery in mid February. Final delivery of meters is expected by Fall 2022

### **C.W. "BILL" JONES PUMPING PLANT (JPP)**

#### **JPP Excitation Cabinet & Control Panel Refurbishment (FY2018 Project)**

Status: Site visit was completed in March 2021 by USBR Denver Office staff to evaluate the installation plans for the project. Additional funds have been requested to complete the project. The SLDMWA processed additional funds to the USBR for engineering on this project to continue in November and are awaiting an updated schedule.

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

Status: Project is complete.

#### **JPP Wear Ring Purchase**

Status: No activity this month.

#### **JPP Unit No. 5 Rewind**

Status: Project is complete. The final invoice has been approved by Reclamation and partial payment was received in July. Reclamation has funds for final payment, and is beginning the paperwork process to complete the final payment. USBR has yet to pay the complete amount of the final invoice, \$584,337.95 is remaining due to the SLDMWA.

#### **JPP Unit No. 1 Rewind**

Status: NEC completed their work on 12/19/2021. Reassembly of the unit by the SLDMWA is underway. The updated schedule has Unit 1 returning to service on 02/28/2022. The previous return to service date was 11/19/2021. Performance testing is tentatively scheduled for Feb 28 – Mar 4. Upon reassembly, the static runout was found to still be excessive, originating at the thrust bearing. A shim was placed between the thrust block and runner, reducing static runout to less than 25% of that allowed by FIST 2-1.

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## **EXTRAORDINARY O&M & CAPITAL PROJECTS**

### JPP Unit No. 4 Rewind

Status: Due to steel shortages and price increases in Europe, the SLDMWA issued the Notice to Proceed and initial payment early for the Unit 4 Rewind in June and materials were successfully secured. The schedule for Unit 4 has been adjusted accordingly due to the Unit 1 delay. Disassembly by SLDMWA staff is scheduled to begin March 07, 2022, previously December 9, 2021. Laminations for Unit 4 were manufactured in November, shipped from Poland on December 6, and received by NEC in their Brownsville, TX warehouse. Preliminary vibration readings were taken by Bentley Nevada on January 18, to provide a comparison baseline for performance testing after the rewind is complete.

### O'NEILL PUMPING/GENERATING PLANT (OPP)

#### Main Transformers Rehabilitation/Replacement Project

Status: Oil monitoring was completed in January and the results were acceptable. The RFP is almost ready and is planned to be released at the end of March 2022. The construction is tentatively scheduled to start March 2023, and the outage to start in April 2023. The oil tanks has been removed from the switchyard, and a copy of the manifest has been sent to Reclamation. The oil tank foundation is planned to be removed in June 2022.

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

Status: The Facility Rating Review has been received. The personal protective grounds were upgraded per recommendations from the Facility Rating Review. Performed an inspection of the Unit Buses. A report of the findings will be provided to TSC per recommendation. The Arc Flash Hazard Analysis draft has been reviewed and acknowledged with no comments. The Protective Relays Review is still pending.

#### Pump Bowl Modification (Design and USBR Approval)

Status: SLDMWA is pursuing obtaining the replacement pump bowl design and construction from Pentair, the original manufacturer of the pump, with the intent of receiving one bowl per year beginning in FY23. An LOA will be established with the BOR to review and approve Pentair's design.

#### Penstock Cathodic Protection System Replacement

Status: The Water Authority is currently in contract with Farwest and in the process of reviewing their submittals with the assistance of the design consultant, JDH. Construction is scheduled to be complete by Fall of 2022.

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## **EXTRAORDINARY O&M & CAPITAL PROJECTS**

### UPS Battery Charging System Replacement

Status: No activity this month. Installation is to be timed concurrent with the outage for the transformer rehabilitation at OPP (April/May 2023). Equipment purchase for this job will occur 6 months prior to the transformer project starting.

### **TRACY FACILITIES (TFO)**

#### TFO Domestic Water Treatment Plant Replacement

Status: Water quality testing occurred in November with results provided mid-December. Package Plant vendors will be solicited for updated quotes based on water quality results.

Treatment Plant Drainage: SLDMWA Engineers proposed modifications to the drainage design. These modifications are currently being implemented into construction plans. Final design is near completion and is currently undergoing final review.

### **MULTIPLE FACILITIES: TFO/ LBFO/ DCI**

#### Arc Flash Hazard Analysis

Status: No activity this month. Received the project management plan from TSC and the letter of agreement draft from Reclamation Tracy Office. Site work is tentatively scheduled for June/July 2022.





## STAFF MEMORANDUM

TO: Board Members and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: February 10, 2022

RE: Update on Science Program

### SUMMARY

The San Luis & Delta-Mendota Water Authority's ("Water Authority") current science commitments for Fiscal Year 22 (March 1, 2021 – February 28, 2022) may be considered in three categories. First, the Water Authority re-budgeted \$245,252 in the current budget to fund eight activities and/or studies previously authorized to be funded. Second, the Water Authority began the year with approximately \$4,628 in funds remaining from the State and Federal Contractors Water Agency ("SFCWA") to fund one study initially authorized by SFCWA and transferred to the Water Authority for funding and management. Third, the Water Authority has budgeted \$450,000 in the current budget for science studies. More detail regarding the various science commitments is provided below. In total, the Water Authority started the current fiscal year with approximately \$924,089 available to fund science, of which \$644,089 has been obligated.

### 1. Previous Commitments - \$245,252 in FY 22 Budget

Subject	Description of Work / Objective(s)	FY 22 Budget
Joint Funding of Delta Smelt Structured Decision Making Phase 3	This funding would support management and technical analyses required to conduct Phase 3 for the CSAMP Delta Smelt Structure Decision Making (SDM) project. Technical analyses would include modeling and the application of other analytical tools to evaluate the consequences of proposed management actions for Delta Smelt as well as the evaluation of potential consequences to other resource values including water supply and agriculture. Phase 3 was scheduled to occur from September 2020 to September 2021, but has been delayed.	\$75,000
Joint Funding for Hanson Environmental as CAMT Technical Support	This funding would support continued CAMT participation by Dr. Charles Hanson through a contract with the State Water Contractors. Dr. Hanson assists in the development of various	\$30,000

	workplans and products, including Charters, presentations, whitepapers, and other materials to support collaborative science.	
Development of eDNA monitoring tool for detection of Delta Smelt	Goal to develop an accepted eDNA monitoring tool for species detection in tidally mixed aquatic ecosystems in the Delta, and to advance eDNA aquatic monitoring towards a state-of-science that can be applied in the context of scientific, policy, and regulatory decision-making	\$63,000
Sacramento-San Joaquin Delta Following Pilot Evapotranspiration Monitoring Program	Study between April 1, 2018 and September 30, 2018 of consumptive use on between 2,000 and 4,000 acres in the legal Delta during the 2018 irrigation season. Goal to identify a method of reliable measurement of the reduction in consumptive use associated with temporary crop idling on lands within the legal Delta.	\$7,000
Interior Delta Export Effects Study	<p>Study of specific data gaps related to export operation effects on juveniles salmonids. Goal to fill information gaps on juvenile salmonid survival in the south Delta to update salmonid loss models, optimize survival for salmonids near salvage facilities, and support water reliability through enhanced coordinated operations.</p> <p>Last year, the Study didn't receive its anticipated Proposition 1 grant to go to scale, so Authority funding provided for the study to continue and provide capacity for a grant application for the recent Proposition 1 grant funding notification, which was recently awarded.</p>	\$25,000
Delta Smelt Incidental Take Limit Research	Funds support the evaluation of differences in salvage between pre- and post-BiOp conditions and the determination of how much variance in salvage can be explained by each of the predictor variables. Support provided to ICF Jones & Stokes, Inc., through a cost share with SWC.	\$14,252
CAMT Facilitation	Funds support facilitation and assistance with CAMT and CSAMP meetings. Main contracts with Essex Partnership (Bruce DiGennaro) and Hansen Environmental (Chuck Hansen) held by SWC.	\$55,000

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**2. SFCWA-Funded Studies Being Managed by the Water Authority - \$4,628 Remaining**

<b>Subject</b>	<b>Description of Work / Objective(s)</b>	<b>SFCWA Funds Remaining</b>
Measuring Impact of Control of yellow Starthistle in the Northern Sac. Valley and Superior California on Watershed Runoff and Groundwater Levels	Study of the water benefits of yellow Starthistle (YST) control. If there appears to be replicable water supply benefit from YST removal, will prepare plan of recommended YST removal in California that results in increased runoff and/or improved groundwater levels.	\$4,628

**3. New Science - \$450,000 in FY 22 Budget**

<b>Subject</b>	<b>Description of Work / Objective(s)</b>	<b>FY 22 Budget</b>
Science Studies/Efforts		\$450,000
CSAMP Delta Smelt Structured Decision Making Phase 3	This funding would support management and technical analyses required to conduct Phase 3 for the CSAMP Delta Smelt Structure Decision Making (SDM) project. Technical analyses would include modeling and the application of other analytical tools to evaluate the consequences of proposed management actions for Delta Smelt as well as the evaluation of potential consequences to other resource values including water supply and agriculture. Phase 3 was scheduled to occur from September 2020 to September 2021, but has experienced delays.	\$65,000
Delta Coordination Group Summer Fall Habitat Action Structured Decision Making Facilitation Support	Funds support facilitation and assistance with Delta Coordination Group Structured Decision Making for Delta Coordination Group recommendations to Reclamation and DWR related to Summer Fall Habitat Actions in the Biological Opinions and State Incidental Take Permit	\$25,000
Water Blueprint for the San Joaquin Valley Education Fund	Facilitation support for the Water Blueprint for the San Joaquin Valley Education Fund	\$10,000

**FUTURE SCIENCE PROGRAM DIRECTION**

The recently released federal Biological Opinions require annual scientific review of the Reasonable and Prudent Measures scientific panel review in years 4 and 8 of the implementation of the Biological Opinions.

It is anticipated that increased engagement on scientific studies to prepare sufficient scientific bodies of knowledge on the adaptive management provisions of the new biological opinions will be necessary from public water agencies in order to adequately prepare for the 4- and 8-year

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February 10, 2022

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scientific review of the implementation of the new Biological Opinions. Staff is coordinating with CSAMP/CAMT, as well as Reclamation, NOAA Fisheries and U.S. FWS to determine anticipated annual scientific investments necessary to prepare for the scientific panels.

Authority staff is planning to focus on key areas for the 2021 and future budgets, in order to assist in the development of a more coordinated science strategy between public water agencies and state and federal agencies who fund the scientific enterprise. Specifically, these recommended areas are:

- Technical Support for Authority Engagement in Regulatory Processes
- Steelhead Monitoring and Protection
- Delta Smelt Structured Decision Making Scientific Expertise
- CSAMP/CAMT Support
- Delta Coordination Group Support
- Development of Voluntary Agreement Science Plan
- Permit Streamlining

#### **Technical Support for Authority Engagement in Regulatory Processes**

The Authority has need of additional biological expertise to provide comments and a higher level of engagement with regulatory entities, including the State Water Resources Control Board, NOAA Fisheries, the U.S. Fish and Wildlife Service, California Department of Fish and Wildlife and others. Authority staff has executed master service agreements with 9 consultants for scientific and biological support services for on-demand services centered on the areas of expertise of the respective consultant and staffing availability. Specifically, staff anticipates need for additional technical and science expertise related to engagement in the reconsultation of the long-term biological opinions for the operations of the Central Valley Project and State Water Project, the anticipated listing determination for longfin smelt by the US FWS, the anticipated listing determination and rulemaking process for the foothill yellow legged frog, and others.

#### **Steelhead Monitoring and Protection**

The status of steelhead population trends continues to pose a threat to water supply reliability for south-of-Delta Central Valley Project contractors. Significant data gaps exist in the scientific body of knowledge regarding steelhead, including a method for estimating population levels and continued support of the I/E ratio in state level regulatory proposals. Steelhead species receive less funding than other scientific research, indicating an opportunity where the Authority could add value to the scientific enterprise. Specifically, there is a need for better data analysis and synthesis for steelhead.

#### **Delta Smelt Structured Decision Making Scientific Expertise**

Compass Resources, who manages the Delta Smelt Structured Decision Making process, has identified a need for a biologist for biological resource support, including literature searches that would better inform the SDM process. The Authority and the State Water Contractors are jointly funding this expertise.

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**CSAMP/CAMT Support**

The Authority has remained engaged in CSAMP/CAMT and has jointly funded facilitation support, technical support and scientific studies related to management actions associated with project operations.

**Delta Coordination Group Support**

Authority staff is a member of the Delta Coordination Group (DCG), a group formed this year pursuant to Reclamation's Proposed Action and the Incidental Take Permit for the Coordinated Operations of the Central Valley Project and State Water Project. The DCG is charged with providing recommendations to Reclamation/DWR pertaining to Summer-Fall Habitat Actions for delta smelt.

**Development of Voluntary Agreement Science Plan**

The Authority has previously funded facilitation of the Governance, Science and Adaptive Management Working Group and staff is proposing to continue that commitment through contributing funds for the development of the Science Plan for implementation of the Voluntary Agreements.

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## MEMORANDUM

TO: SLDMWA Board of Directors, Alternates

FROM: Pablo Arroyave, Chief Operating Officer

DATE: February 10, 2022

RE: Award of Contract, Authorization to Execute Professional Services Agreement for DMC Subsidence Correction Project Feasibility Study, and Expenditure of up to \$2.4 Million Using Funds from Various Fiscal Years and the Financial Assistance Agreement

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### BACKGROUND

Ground subsidence has impacted the structural integrity of the Delta-Mendota Canal (DMC) and has resulted in lost conveyance capacity. The San Luis & Delta-Mendota Water Authority (Water Authority) and the U.S. Bureau of Reclamation (Reclamation) have been working together closely to study the deficiencies of the canal and associated facilities with the ultimate goal of restoring the original design capacity of the DMC. To date, a DMC Subsidence Correction Project Value Planning study, an Appraisal Level Cost Estimate, and a Feasibility Study of Alternatives have been completed.

In September 2021, the Board authorized the Water Authority to enter into a \$5.677M Financial Assistance Agreement with Reclamation to fund preliminary studies for the DMC Subsidence Correction Project that included the following tasks:

1. Geotechnical Investigations
2. Cultural Resources Records Search
3. Feasibility Report
4. Environmental Compliance
5. USBR DEC Review
6. Cooperative Agreement Management

On November 19, 2021, the Water Authority formally solicited proposals from qualified consulting firms to provide professional and technical services for: the completion of a Feasibility Study (Study), including Cultural Resources Support Services, Environmental Compliance through a joint National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) document, and the preparation of a Feasibility Report. The Feasibility Report will describe the results of the completed Feasibility Study and identify the recommended plan in compliance with Reclamation Directives and Standards (D&S) CMP 09-02 Water and Related Resources Feasibility

Studies. The subject contract will complete tasks 2, 3, and 4 of the Financial Assistance Agreement noted above.

The Authority's \$2.84M cost share (50/50) requirement in the Financial Assistance Agreement was budgeted through multiple fiscal years and is summarized in Table 1 below:

Table 1: SLDMWA Financial Assistance Agreement Cost Share Breakdown

FY21 EO&M	\$ 540,100.00
FY22 EO&M	\$ 500,000.00
FY22 RO&M (In-Kind Services)	\$ 226,535.75
FY23 Funding	\$ 1,571,904.25
Total SLDMWA Funding:	\$ 2,838,540.00

The Financial Assistance Agreement includes a cost of \$2,470,500 for the completion of tasks 2, 3, and 4 that are associated with the Feasibility Study.

**ISSUE FOR DECISION**

Whether the Board of Directors should authorize awarding the contract to CDM Smith, Inc. and authorize Executive Director or Chief Operating Officer to execute a Professional Services Agreement for the DMC Subsidence Correction Project Feasibility Study, and Expenditure of up to \$2.4 Million using funds from various fiscal years and the Financial Assistance Agreement.

**RECOMMENDATION**

Staff recommends award of the contract to CDM Smith and action to authorize the Water Authority's Executive Director or Chief Operating Officer to execute a Professional Services Agreement with CDM Smith.

**RFP PROCESS & DETAILS**

The primary objectives of the work described in the RFP are 1) to Perform Project Management, Reporting and Invoice development per Government Standards (CMP09-02); 2) to prepare joint CEQA/NEPA Environmental Compliance documents; 3) to Perform Cultural Resource surveys to support Reclamation's Project Programmatic Agreement; 4) to prepare a Biological Assessment for initiation of Reclamation's consultations with U.S. Fish and Wildlife Service; 5) to prepare a Wetlands Delineation along the length of the DMC pursuant to the Clean Water Act; and 6) to prepare a Feasibility Report in full compliance with Reclamation D&S CMP 09-02. All previously prepared documentation will be incorporated with data gathered under the RFP tasks to develop an evaluation matrix to rank the various project alternatives and recommend the most feasible alternative to carry forward to the Design Phase.

Two proposals were received on January 11, 2022. A team consisting of Water Authority and

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Reclamation staff evaluated and scored the proposals, with the result of the evaluation being that CDM Smith was the highest scored proposer. CDM Smith is a multinational consulting engineering firm established in 1947 with over 5,300 employees. CDM Smith has proposed to complete the scope of work for \$2,395,529. A Notice of Intent to Award was issued on January 27, 2022 notifying CDM Smith that they were the apparent successful proposer. Final award will occur after Board of Director's approval.

Authorizing execution of this Professional Services Agreement is an administrative action that will not result in a direct change in the environment or a reasonably foreseeable indirect change to the environment; does not involve commitment to any specific project and thus does not constitute a project under the California Environmental Quality Act (CEQA Guidelines Sections 15378(b)(4) and (b)(5); and is also statutorily exempt from CEQA because the project anticipates only feasibility and planning studies with no adverse relationship to environmental factors and no commitment to specific future actions.

#### **BUDGET IMPLICATIONS**

The proposal is within the amount budgeted in the Financial Assistance Agreement and EO&M Budgets.

#### **ATTACHMENTS**

- 1) Notice of Intent to Award
- 2) Draft Professional Services Agreement

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## NOTICE OF INTENT TO AWARD

Date: January 26, 2022

To: RFP F22-DMC-065 Proposers

**Project Title:** DMC Subsidence Correction Project Feasibility Study

**Project Specification Number:** F22-DMC-065

On January 11, 2022, the San Luis and Delta-Mendota Water Authority (SLDMWA) received proposals for the subject project from CDM Smith and Stantec Consulting Services, Inc.

SLDMWA evaluated both proposals under the criteria specified in the Request for Proposals and has identified the CDM Smith proposal as the highest ranked proposal.

You are hereby notified that in the February 10, 2022 SLDMWA Board of Directors Meeting, SLDMWA staff will recommend that the SLDMWA Board of Directors award the contract for DMC Subsidence Correction Project Feasibility Study to CDM Smith.

SLDMWA appreciates the time and effort that the proposing firms dedicated to preparing and submitting a proposal for this project.

Sincerely,

Jeramee Campbell  
Contract Specialist

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**EXHIBIT C- FEES, HOURLY RATES AND REIMBURSABLE COSTS/EXPENSES**

Table 1: Budget Summary and Schedule

DMC Subsidence Correction Project Feasibility Study  
 Budget Summary  
 Version Date: February 3, 2022

Task #	Task Name	CDM Smith		Subcontractors Total	Total	Schedule
		Labor	ODCs			
1	Project Management	\$179,540	\$300	\$39,028	\$218,868	2/10/2022 - 12/29/2023
2	Environmental Compliance	\$375,278		\$116,982	\$492,260	6/9/2022 - 2/1/2023
3	Cultural Resources Support Services	\$18,999		\$837,574	\$856,573	4/7/2022 - 10/12/2022
4	Biological Assessment	\$29,681		\$169,523	\$199,205	4/7/2022 - 8/3/2022
5	Clean Water Act Compliance	\$29,681		\$171,428	\$201,110	4/7/2022 - 10/5/2022
6	Feasibility Report	\$293,753		\$133,760	\$427,513	2/10/2022 - 12/28/2022
<b>Total</b>		<b>\$926,933</b>	<b>\$300</b>	<b>\$1,468,296</b>	<b>\$2,395,529</b>	

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