



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
DECEMBER 20, 2017  
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea requested to have Item 8. C. deferred until after items 8 D.E. and F. The Board approved the change as follows:

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

Note: Board Members Jim Jasper and Bill Koster arrived at 8:38 a.m.

4. CONSENT CALENDAR

The Minutes from the Regular Board Meeting of 11/15/17, the Monthly Accounting Reports for the month of November, and the Monthly Field Operations Report for the month of November were provided in advance for the Board's review. The Board approved the Consent Calendar reports as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided Tom Boardman's December Project Operations Update for the Board to review and reported that she had recently spoken to him to follow up on any updates. She reported that under the BiOps, certain conditions had made themselves present in the month of November that could adversely affect the volume of pumping allowed as a requirement of the D1641 Ops in December. Contractors were in the process of speaking with the Regional Director to try and get them to delay these cuts, which could equate to an additional 50,000 AF of project losses from pumping in December. She also reported that if dry conditions continued, San Luis might not fill in January as expected and a draw-down could occur in early 2018. Also provided were 2018 San Luis Storage Refill Projection Hydrology Reports.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 11/30/17

Adam reported In-District use for the month of November at 1,111 AF, no transfers out, total use year-to-date of 57,874 AF, with an estimated 96,330 AF remaining to be scheduled into 2018-19.

C. Delta-Mendota Canal Subsidence Report

Adam reported on a presentation made by the SLDMWA on subsidence and how it relates to groundwater pumping. Handouts showing subsidence along the DMC were provided for the Board's review. Anthea added that due to this subsidence, there could be potential for further restrictions imposed by the Bureau of Reclamation on groundwater pumping under the District's Warren Act Contract. A presentation on subsidence was also discussed as a possibility for a future Landowner/Water User Meeting.

D. DMC Pump-In Program Environmental Review Update

Anthea reported that discussions with Fresno were underway regarding the review of the environmental documentation that supports District's current ability to have a Warren Act Contract supporting a groundwater pump-in program on the DMC. Although still in discussions, proposals from Reclamation included discontinuing the program altogether, allowing pumping only when USBR allocation was 30% or less, and constraints dependent on depth to groundwater thresholds.

6. DRAINAGE ACTIVITIES

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

Adam reported that he attended the December 5<sup>th</sup> SJVDA Board Meeting and shared that a budget was approved for the 2018-19 year of \$5.60 an acre. He shared that an application was mailed to all members in an effort to assist in signing up to the online portal. He also reviewed a letter sent to the SWRCB from the Watershed Coalition discussing the Eastern San Joaquin River Watershed Agricultural Order and its effects on the Westside's draft order, and concerns that "one size fits all" approach would be burdensome and would swallow resources that should be targeted on the actual issues that affect individual coalitions.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Adam reported that CCID and the neighboring agencies continued to discuss with DWR whether the Exchange Contractors can utilize a non-numerical model basin characterization approach for their GSP while the rest of the basin's GSA used numerical models. An early December conference call was scheduled with DWR to reach a final determination. Anthea reported on SB-252, a law that adds new criteria for information collection for any new well permit that's applied for in a critically over-drafted basin. This law would sunset in January 2020, as it was intended to bridge the gap between current and when basin GSP's were in place.

Note: Board Member Pete Lucich arrived at 8:50 a.m.

8. FINANCIAL MATTERS

A. CalPERS Annual Financial Report/DPWD Actuarial Valuation(s) as of 6/30/16 - Report

CalPERS released its annual Financial Report for fiscal year ended June 30, 2017 and showed that Net Investment returns were 11.2 percent and its equity program returned 19.6 percent for the year. Per the report, the Public Employees Retirement Fund (PERF) is 68.3 percent funded and paid 21.4 billion in annual pension benefit payments to nearly 670,000 retirees and beneficiaries – an increase of 3 percent. Anthea reported that the District's employer rate would increase for the next seven years from Fiscal Year 2015-19 through Fiscal Year 2024-25 as a result of recently adopted changes in the discount rate. She further shared that DPWD's funded status as of its 6/30/16 Actuarial Valuations was 75.1% (classic) and 87.9% (PEPRA).

B. 2018-19 Budget Process/Timeline Review – Board to Consider Rescheduling January and February Regular Meeting Dates

Anthea shared that due to the Mid-Pacific Water Users Conference being scheduled on the same week as the January Board Meeting and time constraints on the Budget Process, she requested the January meeting be postponed until January 24<sup>th</sup>, and that the date of the February BOD Meeting be determined at the January meeting. The rescheduled January BOD Meeting to be held on January 24, 2018 was approved as follows:

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

C. 2018 NVRWP Assessment – Board to Determine Assessment Dates for the 2018 Program

Anthea gave an overview of the District's Current Rules and Regulations Water Service and explained that District has two levels of charges. On March 1<sup>st</sup> of each year, a per acre assessment is charged in support of the District's Administrative Budget (payroll, utilities, insurance etc.). Also, when a CVP

allocation is given, a 25% of the estimated total cost of the amount of water requested is required. Because the NVRWP has recently come into service and will be partially implemented for the 2018-19 year, Staff requested guidance on collecting for the first years' program costs, specifically when the charge should be implemented and when the quantity allocated be made available for use in customer accounts. After review and discussion, the Board directed Staff to assess charges for the NVRWP twice a year (50% in January and 50% in June) at a rate of \$225/AF and to allocate the estimated supply on March 1. The vote was as follows:

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

D. Board to Consider Request for Permanent Termination of Water Service Pending Potential Annexation to the City of Patterson – APN 021-023-002 (16 acres)

Anthea reported that the District had received a written request from the owners of APN 021-023-002 (16 acres) to remove said parcel from District's assessment roll pending annexation to the City of Patterson. The letter stated that the Landowners fully understood that the parcel, if permanently removed, would be ineligible to receive water service from the District, regardless of the final outcome of the annexation/detachment proceedings. Staff recommended the request be approved and indicated that they would monitor the City of Patterson's proposed annexation process in order to perfect a detachment of the 16 acres from the District's boundaries. After review and consideration, the Board approved the permanent termination of water service to APN 021-023-002 pending potential annexation to the City of Patterson as follows:

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

E. Board to Consider Termination of Contract for Water Service Due to Non-Performance – APNs 021-022-033, 034, 035, 039por, 040, 042, and 054

Anthea shared that the District currently has four contracts providing service to out of boundaries lands. The contracts provide for continued service to lands which have been detached from the District and annexed to the City of Patterson, and explicitly states that in order to be eligible to receive such service, the "Lands and Landowner must not be in default or in violation of any term..." in the Contract, "...or the District's Rules and Regulations or duly adopted District Policies.". She further reported that the contract serving APNs 21-22-33, 21-22-34, 21-22-35, 21-22-39por, 21-22-40, 21-22-42, and 21-22-54 has been out of compliance and attempts had been made to communicate with the landowner. Staff requested guidance on how to proceed with termination of said contract. After review and consideration, the Board voted to instruct Staff to terminate the contract as follows:

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

F. Board to Consider Request for Amendment to Out of Boundary Service Contract(s) to Allow for Participation in the NVRWP Benefit Assessment

Note: Board Member Lucich recused himself from this discussion.

Anthea reported that the Out of Boundary Service contracts only provide for delivery of CVP supplies and possibly supplemental water supplies from the Annual Additional Supplies pool. She further reported that Out of Boundary Service of NVRWP Supplies was not contemplated during the development of the NVRWP, and that the existing contracts would have to be amended in order for them to be eligible to even receive water from the NVRWP. After review and consideration, the Board determined that it did

not desire to amend the out-of-boundary service contracts to allow for NVRWP participation, and voted as follows:

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

G. Treasurer's Quarterly Report for the 3<sup>rd</sup> Quarter Ending 11/30/17

Anthea provided and presented the Treasurer's Quarterly Report for the Third Quarter ending 11/30/17 reporting that the District held cash reserves adequate to meet all budgeted obligations. After review and discussion, the Board approved the Treasurer's Quarterly Report for the Third Quarter ending 11/30/17 as follows:

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

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that MRJV was done pump testing the Modesto component and the City of Modesto was currently delivering recycled water 24/7 to the DMC. Adam shared that issues with the meter were being worked out. He shared that the City of Turlock had approved the advertisement of construction bids for the Turlock Component beginning mid-January 2018. Anthea included a letter from Carollo Engineers to the City of Turlock providing a brief summary of the costs for the project. She further reported that the Department of Fish and Game had reviewed the Incidental Take Permit Application for the NVRWP – Turlock Segment, and concluded that they could not finalize the Permit until they had reviewed the CEQA document along with the Findings, NOD, and a copy of proof of payment of the environmental filing fee. The City of Turlock was to follow up on this matter. Anthea also reported that the District was awarded a \$4.3 million funding opportunity from the WIIN grant for the project, which would be awarded once the legislation supporting the awards was passed.

B. Orestimba Creek Recharge & Recovery Project – Update

Adam provided a map showing the initial setup of the 20 acre of pond, of the future pumps and pipeline, and discussed how the production and testing wells would be configured. Anthea added that OES notified CCID that the project was eligible to submit a Grant application by February 1, 2018 to FEMA for funding of future development of the project should the Districts decide to proceed to a full-scale effort. Also provided was communication with Provost & Pritchard's December update where they indicated the next steps to be taken were to construct facilities and to develop an MOU with adjoining Districts/landowners for the future project

C. Del Puerto Canyon Reservoir Project – Update

Anthea reported that Adam had recently sent to AECOM the parameters for our partner Districts on Phase 2A study currently being done of conceptual operations and benefits. Anthea asked Adam to request the results of this study ASAP in order to put together a report for the Board to be presented at the January BOD Meeting, which would aid the Board in making a decision whether or not to proceed with a full Phase II Feasibility Study and budget for 2018. Anthea also included a copy of the Agenda from her meeting with the NWRA Conference where she met twice with the Acting Commissioner of Reclamation, Mr. Alan Mikkelsen. The purpose of the meetings was to request study money from the WIIN legislation to fund the next phase of Del Puerto Canyon Reservoir. She shared that Bobby Pierce of WSID and John Hansen attended the meetings as well and added that the Commissioner loved the idea and recommended she work with Regional Director Murillo to access funding. Of the \$67 million available, the District requested for \$2 million. She noted the SLDMWA may also contribute \$100,000. Correspondence from the Secretary of the Interior regarding Streamlining NEPA Reviews was also included for the Board's review.

D. Los Vaqueros Reservoir Expansion Project - Update

The Executive Summary of the Prop 1 Application for the Los Vaqueros Reservoir Expansion Project was provided for the Board's review. Anthea reported attending the Water Commissions hearing previously in the month, where she testified on behalf of this project and her hope that CCWD would receive some good level of Prop 1 funding.

E. Other Storage Investigations - Update

Anthea shared she was reviewing documents sent by the Friant Water Authority pertaining to participation interest in Temperance Flat Reservoir, but had no recommendation for the Board at the time.

10. ADMINISTRATIVE ACTIVITIES

A. 2017 District Election Update – Report on Final Election Results/Steps

Anthea presented the Affidavit Certifying Election Results for the Del Puerto Water District Landowner District Election 2017. Staff provided a cost breakdown of the expenses accrued on the Election process, which currently totaled \$4,607.05.

B. District Water Management Plan Update

1. Board to Consider Resolution Adopting Water Management Plan Addendum per DWR Guidelines

Adam reported that public notifications needed to be made concerning the adoption of the Water Management Plan Addendum and that he was currently working on publishing them in the local papers of each county of District's lands.

C. 2017 WaterSMART Grant Award – Update & Next Steps

Adam provided a Scope and Milestones handout which outlined milestones, tasks and Phase I activities needed to complete the scope of work for the District's Remote Flow Monitoring Program Project.

D. District Local Hazard Mitigation Plan – Update & Next Steps

Adam provided the proposed schedule for adoption of DPWD LHMP 2017 Update for the Board's review. The schedule provided for newspaper notifications of a public meeting, public comment deadlines, and a completion date of April 2018.

E. 2017 SWRCB Fee Payment Update and Litigation Status Report

Anthea reported that the annual SWRCB Fee Payment was made under protest as in years prior. She shared that after waiting for many years to appeal this fee, a supplemental briefing was requested from the Court and the hearing was scheduled for January 23, 2018. Anthea hoped to attend.

F. 2017 Annual Landowner Meeting Planning

Anthea reported that she planned on scheduling a Landowner/Water User Meeting for 2018. After discussion, the Board suggested it be held in March.

G. Board to Review and Consider Resolution Authorizing Detachment of Certain Lands Receiving Duplicative Service from Central California Irrigation District and Related LAFCO Application and Costs: APNs 026-025-040por (25 ac), 069-027-002 (6 ac), 070-010-028por (20 ac), and 070-020-032por (0 ac).

Anthea reported that the initial submittal of the District's boundary maps to DWR during the GSA formation process revealed four parcels that overlapped CCID boundary. After discussing a resolution process with CCID, the District had adjusted its maps to remove the overlapped parcels and finish its GSA formation, agreeing to meet with CCID once the legislation approving their GSA was passed, which occurred in the fall of 2017. The Districts recently met to discuss a final solution, and agreed that DPWD's Board should consider submitting an application and Resolution to LAFCO to detach the 51 acres and eliminate the overlap. The fees for the application to LAFCO could be as much as \$3,000 plus engineer costs could add another \$2,000. After review and consideration the Board authorized the detachment of certain lands receiving duplicate service from CCID and accepted the related LAFCO application costs as follows:

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

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The SLDMWA Board of Directors Meeting Minutes as well as the November O&M Report were provided for the Board's review.

12. MANAGERS REPORT

A. Federal Legislation – Update

Correspondence from Anthea to Reclamation indicating support of Reclamation's Notice of Intent to prepare an environmental impact statement for the re-initiation of consultation on the long-term operations of the CVP and SWP was provided. Anthea shared that the NOI seemed quite broad in its analysis and that it was refreshing to see a change in the recent thinking of the USBR with respect to operations of the project.

B. State Legislation – Update

There was no report on this item.

C. CA Water Fix – Update

There was no report on this item.

D. State & Federal Contractors Water Authority – Update

There was no report on this item.

E. SWRCB WQCP Activities - Update

There was no report on this item.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Articles discussing Water Rights for the Environment and the NVRWP were included for the Board's review.

14. CLOSED SESSION

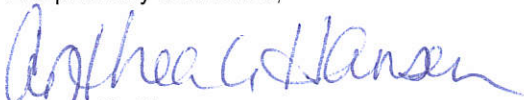
15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 12:15 p.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



REGULAR MEETING OF THE BOARD OF DIRECTORS  
NOVEMBER 15, 2017  
MINUTES

1. CALL TO ORDER

Vice President Earl Perez called the meeting to order at 8:41 a.m. Board Members present were Pete Lucich, Bill Koster and Tom Dompe.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda and Anthea welcomed Jeremy Ware, the District's Financial Auditor from JWT and Associates, to present the Financial Audit.

4. CONSENT CALENDAR

The Minutes from the Regular Board Meeting of 10/18/17, the Monthly Accounting Reports for the month of October, and the Monthly Field Operations Report for the month of October were provided in advance for the Board's review. The Board approved the Consent Calendar reports as follows:

Ayes: Lucich, Koster and Dompe

Nays: None

Abstentions: None

Absent: Bays, Jasper and Maring

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that pumping at Jones was currently at 2 units as of the 8<sup>th</sup> of November due to the X2 requirement. San Luis Reservoir was still projected to fill and was currently about 77% full. Shasta was reported at 70% and Folsom at 58%. An Export Constraints Chart was provided and reviewed with the Board. Anthea shared that the Bureau indicated they would be imposing a cap on rescheduling and she estimated the District could be allowed to carry over 10 to 15 TAF of water under the cap. If the reservoir ends up not filling before March 1, 2018, the District will request a cap not be imposed.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 10/31/17

Adam reported In-District use for the month of October at 3,750 AF, no transfers out, total use year-to-date of 56,763 AF, with an estimated 95,591 AF remaining to be rescheduled into 2018-19.

C. 2017 Rescheduling Update

Anthea reported that that most of the 2017-18 allocation would have to be turned back, with limitations to District's share under the cap (up to 15 TAF). She reported that the rescheduling guidelines were not posted yet and that information would not be sent out until February to customers.

6. DRAINAGE ACTIVITIES

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

Adam provided the SJVDA Board Meeting Agenda and Minutes for the October meeting for the Board to review and reported that State mandated changes being implemented to the East San Joaquin Watershed General Order are expected to be made to general orders, including the Westside's. The Coalition has recently made available the ability for growers to provide their required yearly Farm Evaluation Plans and Nitrogen Plan Summary Reporting online.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea reported that Staff continued to work on Coordination Agreements and trying to determine how to move forward with GSP development. She also reported that the SLDMWA and its member agencies in the Northern & Central GSA regions had applied for grant funding toward GSP development for disadvantaged communities in the basin and for developing models for our basin. The GSA's as a group had selected the Woodard & Currant team to work on the North/Central Region GSP development and Program Management for the Delta-Mendota Subbasin GSP coordination.

8. FINANCIAL MATTERS

A. 2016-17 Financial Audit Presentation – Jeremy Ware – JWT and Associates

Anthea handed out the Draft Audited Financial Statements for Del Puerto Water District's 2016-17 year and introduced Jeremy Ware, who proceeded with his presentation. He reported that DPWD received an "unqualified" audit, which is the highest of opinions to receive on financial statements, and reported that there were no audit adjustments. He also reviewed with the Board the Statement of Net Position, Statement of Revenues, Statement of Expenses and Changes in Net Position, Statement of Cash Flows, Statement of Net Position-Fiduciary Fund(s) and lastly the Notes to Financial Statements. After the presentation, review and discussion, the Board accepted and approved the Draft 2016-17 Financial Audit as follows:

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

B. 2018-19 Budget Process/Timeline Review

Anthea shared that although the process will be the same as years prior, this upcoming year the District will have to incorporate a second benefit assessment starting in 2018 for the supplies that will come to District through the Modesto component of the NVRWP. Deliveries are scheduled to begin at the beginning of 2018, perhaps sooner.

C. 2015 NVRWP Benefit Assessment Evaluation Review – Board to Review and Discuss Prior Valuation and Provide Administrative Guidance to Staff form Implementation of the 2018 Program

Anthea reported that the City of Modesto had been requested to provide a projection of monthly deliveries, which had been received, and which indicated every acre could receive up to 3-4 inches of water in 2018. Anthea reviewed the conservative and optimistic projections of the Proposed Water Availability Charge from the 2015 Prop 218 Election for the NVRWP and shared that she was leaning more toward the conservative side until the whole project was complete, indicating that she did not want to go into a 2nd year having under-collected in the first year. She noted that about 2/3 of the water would be available with the Modesto component being operable in 2018, which could prove as much as 4 inches per acre at the estimated maximum cost of \$225/AF, bringing the delivered supply to \$55/AC, which would fall within the approval the voters gave. Anthea also reported that Staff was working to put a program together that would allow the very few landowners in the District that didn't require their NVRWP Supply to sign up for a long-term program to redistribute the allocation. However, she recommended to delay implementation of such a program until both the Modesto and Turlock components are fully operational. After discussion, the Board concurred and directed Staff to come back next month with a final recommendation.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Adam shared that work on the Allen property was near finalization and that the MRJV was working to finish the pump station. Anthea reported that Turlock's City Council would be approving the Turlock component RFP package in early December, and that a few last permitting issues were being handled, including an incidental take permit for Swainson's Hawks and a streambed alteration permit. She also reported that Turlock wanted to delay bidding the RFP until their SRF Contract was complete, however the SRF Staff were asking for encroachment permits to be in place which couldn't be done until a contractor was hired. The resolution would be to try to put final permitting as a condition in the SRF contract to help move things along. She also reported



that Staff continued to look for other grants and funding opportunities, such as the WIIN Grant that was recently applied for.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that the 20 acre pilot project was getting ready to be put out to bid soon. The final agreement with the Landowner will be reviewed and discussed in Closed Session. The estimated cost remains at \$1.2 million dollars, of which the District's share was already budgeted. The Bureau agreed to cover \$560,000.00 through the Watersmart Grant and the balance was split between the two districts. She also shared that the week prior, she learned that FEMA had some 75% match money that they were trying to place for these types of projects. In order to receive this funding, a Local Hazard Mitigation Plan had to be in place. The District currently has one that needs to be updated, but CCID currently does not. CCID and Del Puerto were having discussions on whether to rename the Notice of Intent with just Del Puerto's information, as to have better chance of obtaining this funding, pending further instructions from FEMA on how to proceed. There is a grace period to make changes to the application, which is not due until March 2018.

C. Del Puerto Canyon Reservoir Project – Update

Adam reported meeting with the potential partners and AECOM to develop a plan for operations. The first meeting pertained to how each of the partners envision for utilizing reservoir. Anthea mentioned that she would be departing after the Board Meeting to meet with Acting Commissioner Alan Mikkelsen in Arizona to present this project. She added that Bobby Pierce of West Stanislaus Irrigation District would be joining her at the meeting. Adam was tasked with getting the operational data to AECOM.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea shared that the Contra Costa Water District Board had yet to approve the decision on whether they accepted the 3 agencies that have requested inclusion in the LVR expansion, and that a 2 hour briefing will be held on Monday, November 20<sup>th</sup> with all the original participants to discuss that matter. It is expected that CCWD and the original participants will not object.

10. ADMINISTRATIVE ACTIVITIES

A. 2017 District Election Update

The election deadline was November 14<sup>th</sup> and polls were kept open until 8 p.m. Anthea indicated she would do the official canvass of votes when she returned from her trip to Arizona on Monday the 20<sup>th</sup> and the results would be announced shortly after. She explained that there is a step-by-step process that needs to be followed when officially counting the votes, and a 3-day postmark/grace period to receive mailed ballots.

B. Water Management Plan Update

Anthea reported that Adam had completed the WMP. Email correspondence from Adam with the Bureau showed Del Puerto's Water Management Plan would be included in the next Federal Register. She hoped to present at the next meeting the DWR Amendment Addendum that was required to be added to the Bureau plan, as well as the Resolution, both of which were being worked on.

C. 2017 WaterSMART Grant Award – Update & Next Steps

There was nothing to report on this item.

D. District Local Hazard Mitigation Plan – Update & Next Steps

Anthea shared that Staff would be working with OES to update the plan as it had expired.

E. 2017 Annual Landowner Meeting Planning

A landowner meeting was suggested to the Board as one had not been done for the 2017-18 year. Upon discussion, it was decided to try for early December or mid-January.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The SLDMWA Minutes and O&M Report were provided for the Board's review. Anthea mentioned the recent passing of Guy Wamocha of the SLDMWA. There was no report on whether Westlands WD will continue their participation in the SLDMWA. She mentioned that there was still an alternate seat vacancy for Division 1 position if anyone was interested.

12. MANAGERS REPORT

A. Federal Legislation – Update

Anthea reported that Westlands WD had yet to get their drainage settlement with the USBR legislatively approved and added that it expires January 15<sup>th</sup>, unless extended.

B. State Legislation – Update

There was nothing to report on this item.

C. CA Water Fix – Update

Anthea reported that the State had asked for the courts extension of the validation action deadline to December 15, 2017. Several articles and notices from the SWRCB pertaining to updates on Phase II of the Bay-Delta Plan were provided for the Board's review. Anthea shared that Phase II would be focusing on the tributaries to the Delta, which include the Sacramento River. She added that a final order had not been released from Phase I, but if no settlements were reached, SWRCB might approve their proposed order in January.

D. State & Federal Contractors Water Authority – Update

An Agenda for the October 19<sup>th</sup> BOD meeting was provided for the Board's review.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A. Texas Agricultural Lifetime Leadership Tour

Anthea shared that Chase Hurley asked for a favor and requested a last minute tour of the NVRRWP to fill a spot for the Texas Agricultural Lifetime Leadership Group, who was visiting for a few days. She agreed to host them and give the tour and received several thank you cards from the group.

14. CLOSED SESSION

Upon return from Closed Session, Anthea reported that the Board took action on the item in the Agenda titled *Lease Agreement and Option to Purchase Real Property Interest in Partnership with Central California Irrigation District in Support of the Orestimba Creek Recharge and Recovery Project*, where there was an affirmative approval of this agreement and Staff had been authorized to execute the agreement with the Landowner and was voted as follows:

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

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 10:45 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
OCTOBER 18, 2017  
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

President Gene Bays asked for a moment of silence in honor of the recent passing of Alvaro Pantoja's mother. There was no further public comment.

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 9/20/17, the Monthly Accounting Reports for the month of September, and the Monthly Field Operations Report for the month of September were provided in advance for the Board's review. The Board approved the Consent Calendar reports as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that Jones Pumping Plant pumped at its seasonal capacity for September in all but 9 days, where cutbacks were necessary to comply with the X2 requirement under the delta smelt BiOp. Due to the X2 requirement, SWP pumping was also limited during most of the month of September. Millerton was currently releasing 350 cfs as required by the San Joaquin River Restoration Program. Graphs showing reservoir refill projections and current reservoir conditions were provided for the Board's review. Also provided and discussed was a news release from the Bureau of Reclamation reporting on the CVP starting the 2018 year with 8.9 million acre feet of storage.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 9/30/17

Anthea reported In-District use for the month of September at 5,548 AF, no transfers out, total use year-to-date of 53,013 AF, with an estimated 94,941 AF remaining to be rescheduled into 2018-19.

6. DRAINAGE ACTIVITIES

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

Anthea provided the Agenda and Minutes from the October 3<sup>rd</sup> SJVDA Regular Meeting and reported that discussion on nitrate issues, the disadvantaged communities, sediment and erosion control plan for lands in high vulnerability areas and contaminated groundwater were the topics discussed. She also reported that the Westside San Joaquin River Watershed Coalition was in the process of implementing a Member Portal to facilitate its members with reporting requirements and would be completed by April of 2018.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

The Agenda to the Delta-Mendota Subbasin Coordination – Technical Sub-Committee Meeting and the Stanislaus County Water Advisory Committee were provided for the Board's review as well as a Summary on SGMA from the Water Authority. Anthea shared that the next meeting would most likely be the last. She reported that they were in the process of putting together the agreement that would allow the many GSPs and

GSA's within the Delta-Mendota Subbasin to coordinate their data and organize themselves administratively for voting and making decisions on the GSPs that will be developed by each GSA. She confirmed that District was in the Northern group, which consists of 23 different GSA's which they are attempting to put into one GSP. Each different GSA will have different management areas (such as sub-chapters). There could potentially be four other GSPs in the same area. She also reported that she attended the Water Advisory Committee Meeting and shared that a good update on their PEIR model was presented and gave her a better understanding how to build Del Puerto's model.

## 8. FINANCIAL MATTERS

### A. Supplemental Water Purchase Program Collection Report 2017

Anthea reported that all but one landowner had made their payments. The semi-annual payment was made (with interest) to Rabobank on time.

### B. Agricultural Drain Loan Program Collection Report

Anthea shared that statements for the ADLP Program were to be mailed out that same day. There are \$171,290.53 in payments due and once collected by the November 30<sup>th</sup> deadline, the payment to the State would be made in January. She added that inquiry to another loan program was in the works.

### C. Board to Assign Delegation of Authority to Request Disbursements of Greater than \$10,000 from the California Employers Benefit Trust (CERBT) for Other Post-Employment Benefits (OPEB)

Anthea reported that earlier in the year, Staff requested that the Board delegate a second signature on District's disbursement request for CERBT when a request greater than \$10,000. She is currently one of the approved delegates and requested Jaclyn Hoobler be the second. After discussion, the Board approved and assigned to Jaclyn Hoobler Delegation of Authority to Request Disbursements of Greater than \$10,000 from the California Employers Benefit Trust (CERBT) for Other Post-Employment Benefits (OPEB) as follows:

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

### D. Analysis of DPWD Capital Repayment Obligation as of USBR FYE 9/30/16

A report on the Analysis of Capital Repayment Obligation was provided for the Board's review. As reported last month, the District did not incur a shortage in O&M costs, but also did not have enough revenue in last year's fiscal accounting to contribute to capital. She reminded the Board that the allocated capital fluctuates each year, even if no new projects put are in place, and that the District has not made any capital payments for 3 years in a row and has until 2030 to pay \$21.9 million. President Bays noted this as an important issue that needed to be further discussed and resolved.

### E. Draft 2018 USBR Rates

Anthea provided the CVP Schedule for Irrigation Cost of Service Water Rates per Acre-Foot by Contractor 2018 Irrigation Water Rates and reported that District's Construction Cost per AF would be \$54.48/AF, DMC Aqueduct Intertie Construction Cost \$1.17/AF, total O&M \$28.79/AF and Deficit Cost \$.48 bringing total Cost of Service Rate \$84.92/AF. Added to that will be the Restoration Fund rate of about \$11/AF, the Trinity PUD Fee \$.30/AF and an SLDMWA Conveyance cost somewhere between \$10-\$15/AF, (depending on water supply) bringing the estimated cost of next year's CVP allocation to a little over \$100/AF.

## 9. SUPPLY DEVELOPMENT PROGRAMS

### A. North Valley Regional Recycled Water Program – Update

Anthea noted that on the previous Saturday, the NVRW pipeline connection under the San Joaquin River, had been successfully completed by MRJV and its sub-contractors and that video would be shared at a future Board Meeting. Pump testing to the DMC would be done in November, with deliveries commencing by the end of December. Other ongoing activities reported on included permitting for the Turlock component, completion of work at the Allen property, and initial outreach to Landowners along the Turlock. Lastly, she provided a letter from the California Natural Resources Agency notifying Grasslands WD and DPWD of their

selection to potentially receive \$26,695,480 in grant funding for the NVRWP Refuge Water Acquisition under the Prop 1 CVP Improvement Act Grant Program.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that the design is 99% complete and that the project would go out for bidding once the Landowner agreement was finalized. The last steps to the agreement would be discussed in closed session. She reported the project to be within the budget proposed, of which the District's share would be \$314,250.

C. Del Puerto Canyon Reservoir Project – Update

A conference call was scheduled for October 19<sup>th</sup> with the potential project partners, CCID, WSID, PID, and Del Puerto, who had agreed to share costs associated with the Phase II Economic Analysis. She reported that she had invited the Regional Director, David Murillo, to a lunch meeting where they discussed the Project. She indicated he has been receiving feedback that Washington was encouraging Local South of Delta storage projects in California. She noted that she followed up by providing him with a copy of the Phase I study, and that she would also be looking into the WIIN act (as he advised her to do so) as a source of potential funding. Board Member Bill Koster commented that placing more gravel pits in the Tracy area would also be beneficial for water storage as well as recharge. Anthea stated that Banta-Carbona Irrigation District had been pursuing that same idea but apparently had run into concerns by the Federal Aviation Administration regarding the Tracy airport. She committed to look into it again.

D. Los Vaqueros Reservoir Expansion Project - Update

There was nothing to report on this item.

E. Supply Development General Activities - Update

Anthea shared that on October 13<sup>th</sup>, a Finding of No Significant Impact (FONSI) had been issued by Reclamation on a 5-year storage/exchange program with Arvin-Edison Water Storage District, and that there were no comments. An agreement would be discussed further in Closed Session.

10. ADMINISTRATIVE ACTIVITIES

A. 2017 District Election Update

1. Report on typographical correction to October 18, 2017 Resolution Approving Further Procedures for the 2017 Landowner District Election

Staff continued to work on organizing the 2017 Landowner District Election including finalizing the Voter Information Guide/Ballot Request Form which would be mailed out within the week. A certified ballot printing company had been hired to print ballots as required by the State. A Voter Roll had also been finalized and would be sent to the Secretary of State. She reported that after the Resolution Approving Further Procedures for 2017 District Election was passed, she found a typographical error and pointed out the correction. The election is scheduled for November 14, 2017.

B. Conversion of Water Service Contract to 9D Repayment Contract – Update

The Board was updated on the proposed conversion of a Water Service Contract to 9D Repayment Contract, which included a "next step" of working with the USBR to set the date for a contractor workshop.

C. Staffing Update

Anthea shared that Adam Scheuber and Chelsea Scheuber were blessed with a beautiful baby girl born on October 9<sup>th</sup> whom they named Alexa.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The SLDMWA Minutes, Agenda and O&M report were provided for the Board's review. It was noted that Westland Water District was having internal discussions at their Committee Level regarding participation in the San Luis & Delta-Mendota Water Authority Activity Agreement(s), and that the District had notified SLDMWA Executive Director Jason Peltier that DPWD would not be able to absorb any further costs as a result of a negative WWD decision.

12. MANAGERS REPORT

A. Federal Legislation – Update

Written testimony by Dan Keppen (FFA) on the FISH Act, which would consolidate the management and regulation of the Endangered Species Act listed anadromous fish within the USFWS, was provided.

B. State Legislation – Update

It was noted that Governor Brown had vetoed Assembly member Adam Gray's Fair Water Rights Hearing Legislation, AB313.

C. CA Water Fix – Update

Staff and the Board called in to a conference call being hosted by Regional Director David Murillo to discuss the California Water Fix and a recent letter from the Region to the Central Valley Project Contractors regarding participation. The Region continued to indicate support for a proposal by which CVP Contractors independently determine whether or not to participate, and it was reported on the call that Technical Sessions would soon be scheduled with all CVP Contractors to revisit how CWF would "look" when combined with possible additional storage projects.

D. State & Federal Contractors Water Authority – Update

The Agenda to the State and Federal Contractors Water Agency BOD Meeting was provided, discussed and reviewed.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A. A request for "Beyond the Brink" Movie Sponsorship at 2018 Mid Pacific Region Water Users Conference

Anthea shared that she participates in the Planning Committee for the Mid Pacific Region Water Users Conference and had been asked to host a panel discussion on issues framed in the documentary "Beyond the Brink" and reported that the movie would also be screened. She requested Board consideration for a District sponsorship in the amount of \$1,500 to coordinate the screening of the film. After review and discussion, the Board agreed to sponsor \$1,500 to coordinate the screening of "Beyond the Brink" at the 2018 Mid Pacific Region Water Users Conference from DPWD as follows:

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

Anthea also noted that Panoche Water District had hired Ara Azhderian as their new General Manager, and provided a Memo from Panoche Water District of the announcement.

B. Report on Westside Water and Irrigation District meeting with State Senator Anthony Canella

Anthea reported that she and Gene had met with State Senator Anthony Canella, along with representatives from PID and WSID, and that the Senator had given a brief Sacramento Legislative Update and an opportunity for the Districts to discuss any concerns.

14. CLOSED SESSION

Anthea reported that the Board met in Closed Session on the four items listed on the Agenda and no action was taken and Staff received guidance on Items I, II and III.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

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

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
SEPTEMBER 20, 2017  
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea requested to have Agenda Item 9. A1 and the Contractor presentation by Meyers Rados JV after the Consent Calendar Items. She also introduced the newest Staff member, Jaclyn Hoobler, as well as welcomed Hunter Riddle to the meeting.

4. CONSENT CALENDAR

A. Approval of Minutes from the Regular Board Meeting of 8/21/17

The Minutes from the Regular Board Meeting of 8/21/17 were provided in advance for the Board's review.

B. Approval of Monthly Accounting Report

The Monthly Accounting Report for the month of August was provided in advance for the Board's review.

C. Approval of Monthly Field Operations Report

The Monthly Field Operations Report for the month of August was provided in advance for the Board's review.

The Board approved the Consent Calendar reports as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that the pumping plants continued at capacity through August and early September with some cutbacks at Banks expected soon due to the Fall X2 requirements. COA was in balanced condition with no debts accruing. A Hydrology graph of the 2017-2018 San Luis Storage Refill Projection was provided for review and showed Federal San Luis Reservoir refilling between November and December of 2017. Anthea mentioned that Oroville operators had planned to drop Oroville by the end of November to less than 700TAF so repairs could be made, and it was unknown what impact this may have on 2018 operations.

B. 2016 -17 & 2017-18 Annual Additional Supplies Pool Update

Anthea provided handouts showing the 2016-17 Annual Additional Supplies Pool True up and 2017-18 Annual Additional Supplies Pool Estimate. She reported that she had finished cross-checking the District's Financial Records with respect to Additional Supplies purchases and confirmed that 21,850 AF of water was acquired for the 2016-17 Pool and the cost paid to all sources was \$12,521,542.00, with the average cost being \$573.07/AF. Because the Pool estimate was marketed below cost, and not all water was sold, a loss of about \$4.5 million resulted before accounting for the District's pending 2017-18 transaction with SLWD. Staff reported that 3,984 AF of unsold supply (as well as the cost associated with it) as well as the 2016-17 Pool Loss on sales would be fully offset by the pending revenue of \$6.5

million, and that the 2017-18 Pool was estimated to close with a profit of \$998,267 under current circumstances as projected.

C. 2016 Rescheduling and San Luis Reservoir Refill Report

1. Board to Review and Consider Foregone Pumping Loss Calculations

Anthea provided a worksheet pertaining to the Foregone Pumping Loss Calculations. She reported that plenty of water was available to the District to allow customers to substitute 2017 contract water that for the quantity of applied rescheduling losses. If done, however, USBR costs will be applicable to delivery of this contract supply. If not delivered, no cost would be charged. She added that Carryover for next year will be limited. Staff asked for direction on whether to apply the losses and leave as is, or apply the losses and offer customers the opportunity to replace those losses with this year's contract supply with the associated delivered cost. And, if the latter is chosen, if there should be a charge for it in advance or when it gets delivered? After review of information and discussion of potential storage opportunities, the Board directed Staff to give customers the option to take the loss or choose to take the substituted water and pay when used as follows:

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

D. Monthly Supply/Use/Completed Transactions Summary Report as of 8/31/17

Adam reported In-District use for the month of August at 8,841 AF, no transfers out, total use year-to-date of 47,465 AF, with an estimated 94,944 AF remaining to be rescheduled into 2018-19.

6. DRAINAGE ACTIVITIES

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

Adam reported that he attended a meeting on September 5<sup>th</sup> where the primary focus of discussion pertained to nitrates in groundwater and the effects it has on drinking water supplies in disadvantaged communities. He further reported that self-certification classes for the Sediment and Erosion Control Plan were being developed. Email correspondence from SWRCB pertaining to a 30-day comment period on the Surface Water Quality Management Plan for Pesticides and Water Column Toxicity Plan from the Westside San Joaquin River Watershed Coalition was provided for the Board to review and it was noted that this was an example of why growers benefit from belonging in the Watershed Coalition. Without membership, each grower would have to develop their own program.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea shared that work at the organizational level was ongoing and that the Coordination Committee was in the process of putting together the Coordination Agreement to coordinate the multiple GSPs and GSAs. She also reported that a grant was awarded to the SLDMWA for facilitation services, which was being used for the development of the Coordination Agreements as well as outreach. The Communications Plan that MWH created with funding from the Authority's grant was shared, hi-lighting an overview of near and long-term outreach and engagement strategies, tactics and tools to assist GSAs with outreach and more as required by SGMA. She reminded the Board that the deadline for the development of the GSP is January 1, 2020, but that as a practical matter a draft plan would need to be ready for public review by August of 2019.

8. FINANCIAL MATTERS

A. Letter Agreement(s) for the Replacement of Project Use Power and Fees Incurred for Conveyance of Non-Project Water in Federal Facilities – Update

Anthea reported that since last month's meeting, the contractor group was still pursuing discussions with Reclamation about making the imposition of the these PUE charges on Warren Act deliveries prospective, rather than the retrospective 2014 date they are proposing. She indicated that another \$10 per acre foot would potentially have to be passed on to the grower if fees are incurred under the District's Warren Act Contract.



B. Treasurer's Quarterly Report for the Second Quarter Ending 8/31/17

Anthea provided and presented the Treasurer's Quarterly Report for the Second Quarter ending 8/31/17. After review and discussion, the Board approved the Treasurer's Quarterly Report for the Second Quarter ending 8/31/17 as follows:

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

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

1. Meyers-Rados JV Contractor Presentation Regarding Request for Change to Contract Substantial Completion Date

Anthea introduced William Wong of the City of Modesto, Ryan Sellman of Carollo Engineering, and Bill Fox & Warren Skraber of Meyers-Rados JV who gave a presentation on the NVRWP construction schedule, as impacted by delays caused primarily by the presence of Swainsons Hawks at multiple locations. The delay prompted MRJV to request a change to the Contract regarding the substantial completion date. After the presentation, the Board approved the Change to Contract Substantial Completion Date as follows:

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

Anthea also reviewed the August Progress Report from RMC, and provided for review the monthly Coordination Meeting Agenda, Meeting Minutes #92, an updated Construction Schedule, and the Swainson Hawk Delay Power Point presentation handout. Also discussed was a possible "tour date" for which the pipeline will be pulled beneath the San Joaquin River and the possibility of inviting the District's landowners/growers.

B. Orestimba Creek Recharge & Recovery Project – Update

Adam provided an update from Rick Iger of Provost & Pritchard indicating that 90% design has been completed and the target bidding timeframe would be late September to October, depending on completion of the landowner agreement under negotiation. Anthea shared that the Test Ponds would be in use by the February through May timeframe.

C. Del Puerto Canyon Reservoir Project – Update

Adam shared that he had received the final scope of work for Phase 2A, to be completed at a cost of \$52K. Requests for data from John Roadifer of AECOM were provided for the Board's review as well as the Scope of Services and Cost Proposal for Phase 2a Task 1 Preliminary Economic Feasibility Assessment. Adam is to schedule a conference call between all of the potential partners to discuss the data request.

D. Los Vaqueros Reservoir Expansion Project - Update

Anthea reported that a conference call had taken place the day prior with Marguerite Patil and her team regarding LVRE, and it was reported that CCWD they had gotten their Prop 1 application timely submitted. They reported receiving about 30 comments during the comment period with minimal negative comments. Anthea added that a call for data would be happening soon and she & Adam would provide responses to their request. She estimated this project to be about 3 to 5 years out before completion.

E. Prop 1 Reservoir Expansion Project(s) – Informational Update

Anthea shared that total requests for Prop 1 funding was just under 6 billion, of which the Los Vaqueros Reservoir Expansion Project requested 434 million. The Water Authority had been included in the operational studies for Temperance Flat Reservoir Project, and another project potentially helpful to SOD, Pacheco Reservoir being promoted by SCVWD, were also requesting funding.

10. ADMINISTRATIVE ACTIVITIES

Anthea mentioned that Luis Torres had given his notice of resignation after over a decade of work with the District maintaining the landscaping for the office. He obtained a position with the Patterson Joint Unified School District as an Athletic Teacher after graduating from CSU Stanislaus and was currently working on finalizing his teaching credentials.

A. 2017 District Election Update

Board to Consider Resolution Setting Forth the Requirements and Procedures for Holding a Landowner District Election

Anthea shared that the next step in moving forward with the election of the Division 3 Director position would be to adopt a resolution setting forth further requirements and procedures for holding a Landowner District Election. The Draft Resolution prepared by Staff and Legal Counsel proposed the Election be held on November 14<sup>th</sup> (one week after the General Elections), and that it be an "all mail" ballot. It further specified considerations for the next steps, which included creating a voter roll, getting ballots printed and prepared, and lastly, mailing a Form of Application for the ballot be sent out with a voter information guide. Upon being asked about costs of this effort, Anthea reported she was not yet certain but guessed it to be at least \$10K plus staff time. After review, discussion and consideration, the Board approved the Resolution Approving Further Procedures for 2017 District Election as follows:

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

B. Conversion of Water Service Contract to 9D Repayment Contract - Update

Anthea reported that there seemed to be much interest across the CVP in pursuing the conversion of water service contracts to 9D repayment contracts, as allowed under the WIIN Act. She added that there is a sunset date of 5 years in the legislation for taking this action. Several attorneys are currently writing issue papers and soon a financial analysis of the action would be started, it would require the District to pay off its non-interest bearing Capital Debt which would then have to be financed with interest.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the SLDMWA Minutes for the Board's review and shared that she had attended multiple meetings and indicated that upcoming personnel changes and other issues affecting strategic planning for the SLDMWA had been at the forefront of much of the discussions. She also shared that Patterson Irrigation District has nominated Vince Lucchesi to fill the vacancy of Alternate Director and encouraged the DPWD Board to consider filling the other open position.

12. MANAGERS REPORT

A. Federal Legislation – Update

There was no report on this item.

B. State Legislation – Update

A news release announcing the passage of Assemblyman Adam Gray's water rights fairness legislation AB313 on the last day of the Legislative session. The Bill now awaits approval or veto by the Governor.

C. CA Water Fix – Update

Staff reviewed recent information pertaining to CWF, and reported that the Board of Westlands WD had not accepted their Staff's current proposal to participate in CWF under certain specific conditions. Despite this, it was generally felt that this decision did not necessarily mean that WWD or any other CVP contractor would not participate in CWF, and discussions were still ongoing. On the SWP side, contractors continued to report decisions from their Boards on participation, with a majority supporting the project.

D. State & Federal Contractors Water Authority – Update

Anthea reported that SFCWA of SLDMWA's CVP contractors and the State Water Project contractors, and had grown in the past few years. SFCWA had recently passed a resolution mandating membership had to be 50/50, which will increase the SLDMWA share for FY 2018. She requested Jason Peltier provide a review of SFCWA

Activities for 2018 and beyond with SFCWA and where he believed it would go, as there is a 6 month advance notice on membership, or otherwise be subjected to costs of the SFCWA budget. Although she indicated there was no recommendation to remove Authority from SFCWA membership, she still wanted to review the fiscal implications of membership.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea shared that the District's grant application to the Water Smart Grant Program for remote metering system in the District had been approved in the amount of \$106,399.

A. "Beyond the Brink" Premiere – Report

Anthea shared that Gene Bays, Bill Koster and Staff attended a premiere screening of the documentary film "Beyond the Brink" which focused on California's San Joaquin Valley and its role in the country's food supply, as well as food safety for the nation.

14. CLOSED SESSION

Upon return from Closed Session, it was reported that no reportable action had been taken.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There was nothing to report on this item.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:47 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
AUGUST 21, 2017  
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea indicated that the meeting would continue as scheduled but would have to delay action items until additional Board Members arrived to complete a quorum.

Board Members Bill Koster and Tom Dompe arrived at 8:56 a.m.

4. CONSENT CALENDAR

A. Approval of Minutes from the Regular Board Meeting of 6/21/17 and 7/19/17

The Minutes from the Regular Board Meeting 6/21/17 and 7/19/17 were provided in advance for the Board's review.

B. Approval of Monthly Accounting Report

The Monthly Accounting Report for the month of July was provided in advance for the Board's review.

C. Approval of Monthly Field Operations Report

The Monthly Field Operations Report for the month of July was provided in advance for the Board's review.

The Board approved the Consent Calendar reports as follows:

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

5. BOARD TO REVIEW A RESOLUTION ADOPTING ENVIRONMENTAL FINDINGS AND A MITIGATION AND MONITORING PROGRAM UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE ORESTIMBA CREEK GROUNDWATER RECHARGE PROJECT

Anthea and Gene officially commenced a Public Hearing to discuss the District's Notice of Intent to adopt a Mitigated Negative Declaration on the Orestimba Creek Groundwater Recharge Project. Guest Hunter Riddle asked if they thought of squaring the ponds as the roads were not very straight and Adam indicated that the scope of work was mainly on the ponds and would leave roads as is. After review and discussion the Board approved the Resolution Adopting Environmental Findings and a Mitigation and Monitoring Program Under the California Environmental Quality Act (Ceqa) For the Orestimba Creek Groundwater Recharge Project as follows:

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

3. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea shared that the Federal share of San Luis Reservoir had about 745 TAF out of 960 TAF capacity. She reported that Jones continued to pump at capacity during most of the month of July and into August.

Flood releases for the Mendota pool from Millerton and Pine Plat ended during the first half of July. Shasta storage was at 3.9 MAF with current releases remaining the same from last month at 10,500 cfs. Folsom had 143% of its 15 year average at 887 TAF. Next year's forecast is currently pending.

B. 2016 -17 & 2017-18 Annual Additional Supplies Pool Update

Anthea reported that she continued to work on finalizing the pool that had 2016-17 and 2017-18 supplies, and demand for any additional supplies was not expected for the current year.

C. 2016 Rescheduling and San Luis Reservoir Refill Report

1. Board to Review and Consider Foregone Pumping Loss Calculations

Anthea provided the Board with a Draft 2016 Carryover Summary Page showing totals for 2016 Carryover supply as well as the remaining water in customer's accounts as of May 31, and gave an explanation on how losses were determined as well as a suggestion on substituting those losses in exchange for returning some of the current year CVP supply. The Board suggested she continue with the analysis and give an update at the September BOD Regular Meeting.

D. Monthly Supply/Use/Completed Transactions Summary Report as of 7/31/17

Adam reported In-District use for the month of July at 12,636 AF, no transfers out, total use year-to-date of 38,624 AF, with an estimated 90,835 AF remaining to be rescheduled into 2018-19.

6. DRAINAGE ACTIVITIES

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

Adam shared that the last scheduled meeting had been cancelled and there was nothing to report.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Meeting minutes and a few articles about SGMA were provided for the Board's review and Anthea reported that finalizing coordination agreements amongst different GSAs within the Delta Mendota Sub-Basin was the current focus. There will be at least 3 GSPs. RMC had been hired to prepare a Proposition 1 Sustainable Groundwater Planning Grant Application which will award \$1 million per basin. Adam reported that he had attended the Stanislaus County TAC meeting, where a template was presented to all participants that wished to share information to the public. Upon review, District will be looking to make its own model for reporting information.

8. FINANCIAL MATTERS

A. California Employers Retiree Benefit Trust (CERBT) for OPEB - Update

Anthea shared the CalPERS CERBT OPEB Trust Annual Update and reported that the District's trust fund was doing well and showed the Estimated Funding Ratio at 146.44% and the Average Annualized Internal Rate of Return at 10.53%.

B. Letter Agreement(s) for the Replacement of Project Use Power and Fees Incurred for Conveyance of Non-Project Water in Federal Facilities – Issue Briefing

Anthea reported that the District had received two Letter Agreements from the USBR requesting retroactive payment for project use power on the DMC Pump-In Warren Act Contract and the 4S-SHS Transfer Warren Act Contract, for a sum total of \$693,880. She further reported on a paragraph in the respective contracts which stated that the contracts would not be supported with use of project power, and that if electrical power was required to convey non-project water, the contractor would be responsible for providing it or paying the Bureau a replacement cost. As originally understood by the Contractors, this was intended to reference the need for Project Use Power to convey water to and into the DMC. The Bureau is now contending that every acre foot of water in their facility has to pay a component of the total project power used while in the CVP facilities if stored. Anthea indicated that the affected District had notified the USBR that they would not be signing any agreements until discussion on the matter and more information could be provided.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that staging is happening at the river for the horizontal directional drill and shared that construction was going smoothly. She also provided the June progress report from RMC and added that the City of Modesto's SRF Agreement was complete and that she would try to bring some updated cost estimates

to the Board in the coming months. It was also reported that the Turlock City Council had adopted three contracts for their Denitrification project.

B. Orestimba Creek Recharge & Recovery Project – Update

Adam reported that the test pond designs were being reviewed and that a project schedule update would be available at next month's meeting.

C. Del Puerto Canyon Reservoir Project – Update

1. Board to Consider Amending Agreement with AECOM to Add Phase 2A, Task 1 Preliminary Economic Feasibility Assessment Scope of Services

Adam provided a Scope of Services and Cost Proposal for Phase 2 Task 1 Preliminary Economic Feasibility Assessment from AECOM and explained that the specific objective of this task would be to refine cost and benefit estimates based on revised conceptual reservoir operations, which would now include information from DPWD, WSID, CCID and potentially PID. Staff recommended approval of the Phase 2A scope of work with the understanding that the \$51,000 budget would be split with the potential partnering agencies. The Board approved the recommendation as follows:

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

D. Consider Partnership Opportunity in the Final Supplemental EIS/EIR for Los Vaqueros Reservoir Expansion

Anthea introduced Marguerite Patil who gave a project briefing on the Los Vaqueros Reservoir Expansion, and explained the partnership opportunity for DPWD in the Final Supplemental EIS/EIR being developed. After the presentation and discussion, the Board thanked Marguerite for her time. Staff gave recommendation to the Board that the District participate in order to explore the potential for expanded conveyance and storage opportunities. After review and consideration the Board approved the partnership opportunity in the final Supplemental EIS/EIR for Los Vaqueros Reservoir Expansion MOU and approved a budget of up to \$200,000 for 2 years as follows:

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

E. Prop 1 Reservoir Expansion Project(s) – Informational Update

Anthea provided several articles pertaining to the Prop 1 reservoir proposals submitted to the California Water Commission.

10. ADMINISTRATIVE ACTIVITIES

A. Staffing Update

Anthea reported there was a higher level of response to the current ad placed for the Customer Accounting Specialist position, and that she had an interview scheduled for that same afternoon. She also shared that she had approached Sandra Watts with an offer to take on Payroll duties and that Sandra had agreed to take a course to become Payroll Certified.

B. 2017 District Election Update

Anthea presented the notice being sent to the County Clerk of Stanislaus County Board of Supervisors to announce only one declaration had been filed for divisions 1, 4, and 6 and requesting that Bill Koster, Zach Maring, and Thomas Dompe be appointed for said division positions. Division 3 had two candidates declare interest and therefore a ballot election of the District Landowners must be held. The incumbent Pete Lucich and Candidate Hunter Riddle will both run for Division 3 Director. She added that she is consulting with Ernest Conant on the steps needed to perform a Landowner District Election.

C. Conversion of Water Service Contract to 9D Repayment Contract - Update

Anthea reported that the WINN act authorized 9d conversions and that she had been speaking with John Rubin of the SLDMWA and Ernest Conant about meeting with a group of managers to talk about moving forward with this. A conference call had been scheduled in September to see if other Contractors within the CVP would be interested in converting their Water Service Contracts to a permanent Repayment (9d) Contract. Benefits to this type of contract are that it becomes permanent, and the Districts would not be subject to acreage limitations of the RRA.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The SLDMWA BOD Adjourned Regular Minutes for July 13, 2017, O&M Report for July 2017, and the Water Policy Administrator Report were provided for the Board's review. Anthea mentioned that strategic planning, staffing, and succession planning were at the forefront of current SLDMWA discussions.

12. MANAGERS REPORT

A. Federal Legislation – Update

Anthea provided a copy of a Bill introduced by Senator McClintock titled "Endangered Species Transparency and Reasonableness Act", which sought among other things to amend ESA to require publication on the internet of the basis for determinations that species are endangered species or threatened species, and for other purposes.

B. State Legislation – Update

Anthea reported Adam Gray was currently working on legislation to revise the authorities of the State Water Resources Control Board.

C. CA Water Fix – Update

Anthea reported that during recent weeks the State of California had adopted the environmental documents and a filed a validation action in the courts regarding the issuance of bond funding for the CWF. She indicated there were already several complaints to this action and a number of complaints filed against the CEQA documents. Several other handouts specifically on the California Water Fix financing and cost allocation were provided for the Board's review. Staff advised the Board that soon the District would need to make a final decision based on all of the recently developing information as to whether it was in the best interest of the District to request a share of the available capacity in the project. The Board continued to express its concern that there was still too much uncertainty as to the risks and unanswered questions, particularly by the USBR, to make a fact-based business decision, and expressed discontent with the circumstances

D. State & Federal Contractors Water Authority – Update

There was nothing to report on this item.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

The Itinerary for CALF 47 Summer Tour of Central Valley Water Issues held on August 17, 2017 was provided for the Board's review, and Anthea reported that she and Adam had educated the 47<sup>th</sup> class members on the NVRRWP and its construction activities, which was followed by a group luncheon at Apricot Wood sponsored by CCID.

14. CLOSED SESSION

The Board met in Closed Session to receive a report on the item listed on the Agenda. No reportable action was taken.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:34 a.m.

Respectfully submitted,

  
Anthea G. Hansen  
Secretary



**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
AUGUST 3, 2017  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 3:17 p.m. Board Members present were Tom Dompe, Earl Perez, and Bill Koster arrived at 3:21 p.m.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea welcomed and introduced Vince Lucchesi of the Patterson Irrigation District to the meeting.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. MINUTES FOR THE REGULAR BOARD MEETING OF 6/21/17

A. The minutes for the Regular Meeting of June 21, 2017 were approved as follows:

Ayes:	Bays, Perez, Koster, and Dompe
Nays:	None
Abstentions:	None
Absent:	Luchich, and Jasper

5. ADMINISTRATIVE ACTIVITIES

A. President Bays entertained a motion to appoint Zachary Maring as District IV representative of the Board of Directors, which was approved as follows:

Ayes:	Bays, Perez, Koster, and Dompe
Nays:	None
Abstentions:	None
Absent:	Luchich and Jasper

B. Anthea proposed to revise the Regular Board Meeting date for August due to scheduling conflict with the upcoming SLDMWA workshop on the California Water Fix. The Board discussed alternate dates and settled on Monday, August 21<sup>st</sup> at 8:30 a.m.

C. Anthea reported that she had pulled the Business/Finance Manager job posting as the position was not attracting enough qualified candidates. The position was re-advertised with a title of, Customer Accounting Specialist with newspapers in Tracy, Patterson, and Newman.

6. WATER SUPPLY & FINANCIAL MATTERS

There was nothing to report on this item.

7. SUPPLY DEVELOPMENT PROGRAMS

A. Anthea provided information regarding the Los Vaqueros Reservoir Expansion Project and explained that pursuing this project could provide districts south of the Delta the opportunity for supplemental water storage. Furthermore, Anthea noted that Contra Costa's intakes are located on the river system, and not dependent on the Jones or Banks pumping plants, alleviating potential for pumping restrictions. Anthea suggested the idea of securing a share in the project with a monetary contribution to initiate a partnership. There will be further discussion on the topic next meeting with guest speaker, Marguerite Patil, from the Contra Costa Water District.

B. Anthea requested that the Board consider authorizing the filing of a Grant Application to the United States Bureau of Reclamation for Funding Under the Water Infrastructure Improvements for the Nation Act (WINN). She explained that the North Valley Project has been Title XVI certified and eligible to apply. She noted the cost



to prepare an application was estimated at \$25,000 to apply and there will be potential for four to five grants in this round of funding going and will be a second funding opportunity announcement in the Bureau's next fiscal year, for which the same application can be submitted. After discussion, the Board approved to go forward with the application as follows:

Ayes:	Bays, Perez, Koster, and Dompe
Nays:	None
Abstentions:	None
Absent:	Luchich and Jasper

12. ADJOURNMENT

Being no further business, the meeting was adjourned at 3:52 p.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
JULY 19, 2017  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 1:05 p.m. and asked for a few moments of silence in honor of Board Member John Escobar, who had recently passed away. Board Members present were Tom Dompe, Bill Koster, Peter Lucich, Earl Perez and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea welcomed Hunter Riddle, as well as Landowner Zach Maring. She also introduced Arianna Koster, who was hired as this year's summer intern and is also the daughter of Board Member Bill Koster and granddaughter of Del Puerto Past Chairman, Cliff Koster.

3. ADDITIONS/REVISIONS TO THE AGENDA

It was noted that item 8.A. was mistakenly left on the agenda from last month's meeting, and should be disregarded.

4. CONSENT CALENDAR

A. Approval of Minutes from the Regular Board Meeting of 5/17/17 and 6/21/17

The Minutes from the Regular Board Meeting of 5/17/17 were provided in advance for the Board's review, however the Minutes from the Regular Board Meeting of 6/21/17 were not ready and will be provided in advance of the August Board Meeting.

B. Approval of Monthly Accounting Report

The Monthly Accounting Report for the month of June was provided in advance for the Board's review.

C. Approval of Monthly Field Operations Report

The Monthly Field Operations Report for the month of May was provided in advance for the Board's review.

The Board approved the Consent Calendar reports as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided the SLDMWA July Project Operations Update and shared that the month of June was the first month where all 5 pumps ran continuously. San Luis Reservoir was at 90% capacity, and this year's low point was estimated to be 650 to 700 TAF, and refill was projected for early 2018 under dry conditions this fall. The Board was reminded that the Bureau had previously given notice that rescheduling opportunities would be fairly limited next year. Anthea further reported that the current challenge posed by the Biological Opinion's had to do with the "Fall X2" action under the 2008 FWS BiOp, which mandates that in good hydrologic years, a fall release of water between September through November to push the salt line, or "X2", more westerly, which is believed to improve habitat for delta smelt., minimizing the perceived adverse effect of CVP and SWP operations. She noted positively that the new Fish & Wildlife Regional Director, Paul Souza, was requesting more scientific information reviewed and justifications with respect to this theory. Board Member Koster asked if there had been many meter repairs due to the lack of water supply in recent years, and Adam reported that meter repairs had been minimal since maintenance was kept up during the winter months.

B. 2016 -17 & 2017-18 Annual Additional Supplies Pool Update

Anthea provided a Draft Water Year 2016-17 & 2017-18 Annual Additional Supplies Pool True-Up Update and reviewed all transactions with the Board. She reported that effort continued to validate all information before Staff would present a final True-up to the Board.

C. 2016 Rescheduling and San Luis Reservoir Refill Report

1. Board to Review and Consider Foregone Pumping Loss Calculations

Anthea reviewed the Joint Point and Foregone Pumping Accounting Water Year 2017 Proposal from the Bureau where they indicated approval of an acre-foot for acre-foot reduction in the 2017 water allocation in exchange for a reduced loss of rescheduled Project and forbearance water from the San Luis Reservoir, if a contractor so elected. She also provided SCCAO's San Luis Reservoir Balance Report Balances as of 5/31/17, as well as the District's letter to Reclamation requesting to exchange 13,258 AF of undelivered Rescheduled Project Water as indicted on the report. After review and discussion, the Board directed Staff to bring this item back next month with respect to the losses of Non-Project water, which was estimated to be 9,479 AF.

D. Monthly Supply/Use/Completed Transactions Summary Report as of 6/30/17

Adam reported In-District use for the month of June at 11,059 AF, no transfers out, total use year-to-date of 25,988 AF, an estimated 48,063 AF to be scheduled prior to year-end, and 88,363 AF remaining to be rescheduled into 2018-19. Anthea added that the report reflected the request to convert the lost CVP water (13,258 AF) and accounted for lost non-project water (9,479 AF) as well, although the latter was still "unofficial" with respect to how the District would handle internally.

E. Review and Consider 2017 Transfer-In From Oak Flat WD

Anthea gave an overview of an Agreement between Oak Flat Water District and Del Puerto Water District which would allow Landowners common to both Districts to transfer-In to Del Puerto up to 3,000 AF of SWP supplies during the 2017 water year. After discussion, the Board of Directors approved the Agreement as follows:

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

6. DRAINAGE ACTIVITES

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

Anthea shared that the new SJVDA/Westside San Joaquin River Watershed Coalition Membership List for 2017 was currently being prepared with updates to be sent to the Coalition offices by July 20<sup>th</sup>.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea reported that the GSA's in the region were attempting to finalize MOUs and coordination agreements per SGMA requirements, and that the District was in the first 30 days of the 90 day waiting period for its GSA to be approved by the State. She mentioned that the SLDMWA had hired a consultant to draft an application for Prop 1 Grant Funding and had requested project lists which she and Adam were working on for District specific needs. There is up to \$1 million in grants per region with a 50/50 cost share.

8. FINANCIAL MATTERS

A. GASB 68 Proportionate Share of CalPERS Pooled Plan Report for FYE 02.28.17

Deleted as noted in Item 3.

B. Audit Schedule Update

Anthea reported that she had reconciled all income and expense on the delivery side for FYE 2.28.17. Year End Reconciliations for the Fourth Quarter were in the audit binder, with a few adjusting entries still to be made. She also reported that she and Jeremy Ware were reviewing the GASB 68 Proportionate Share of CalPERS Pooled Plan Report for FYE 02.28.17. After all reviews are completed, a trial balance will be prepared for the Audit firm to begin its review.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that she had recently attended the City of Turlock's City Council Meeting where a presentation was made by Michael Cooke & Carollo Engineers regarding the NVRWP's progress. She was very pleased with the presentation, which showed photographs of the project underway for the Modesto Component, which gave a good visual to the audience of the current status of the construction. She also noted that the District was regularly participating in Turlock's weekly progress meetings, and that Adam was scheduled to attend a meeting the next day with Turlock Staff to discuss permit requirements with the County's Staff. She added that securing funding was the final issue with the Turlock component, and cautioned that Turlock would not be able to put the project out to bid unless financing was fully secured. The City of Modesto had received the revised final funding agreement recently, and District was in receipt of a 2<sup>nd</sup> payment from the Refuge Water Supply Program in the amount of \$12.3 million, the latter which could potentially be used toward the City of Turlock component. Anthea also reported that District had received notification from the Bureau that the environmental work done for the NVRWP had recently been approved to meet the requirements of Title XVI, and was being included in a letter to Congress identifying it as an eligible project under the Water Infrastructure Improvements for the Nation (WIIN) Act.

B. Orestimba Creek Recharge & Recovery Project – Update

Adam reported that the project was now again moving and that project bidding was expected in August or September. The rest of the schedule was projected as: Construct Ponds and Monitor Wells by October 2017 – December 2017; Test Ponds by December 2017 – March 2018; Construct Recovery Wells and Pipelines by March 2018 to May 2018; Conduct Well Tests by July 2018 – October 2018; and Final Project Report October 2018 – December 2018. Anthea further reported that CCID, as the CEQA lead, had held its public hearing and issued Board approval of the project and filed a Notice of Determination. She added that at the August BOD Meeting, DPWD will consider same as a responsible agency.

C. Del Puerto Canyon Reservoir Project – Update

Adam shared that a meeting was held earlier in the week with AECOM, CCID, and WSID to discuss looking into performing a Preliminary Economic Feasibility Assessment on the project and that AECOM would be preparing a scope of work and an estimate for the Board to consider at its next meeting.

D. Consider Partnership Opportunity in the Final Supplemental EIS/EIR for Los Vaqueros Reservoir Expansion

Anthea reported that CCWD was pursuing a second expansion of LVR under a supplement to the previously approved EIR/EIS, and gave a brief description of the potential benefit to the District if the Board chose to participate in the project. She added that this opportunity would allow District to take delivery of supplies at CCWD intakes, put them into storage for drought years, and return them via a future Transfer-Bethany Pipeline, which would be a construction feature of the LVR Expansion Project. She provided the Board with several items to review, and reported that Staff would be making a recommendation as to participation at the August BOD Meeting.

E. SCVWD Pacheco Reservoir Expansion Project – Informational Update

Information pertaining to the Pacheco Reservoir Expansion Project was provided and reviewed with the Board. Anthea shared that the Santa Clara Valley Water District had requested a letter of support for the project. After a small discussion, the Board authorized Staff to write such a letter.

10. ADMINISTRATIVE ACTIVITIES

A. Staffing Update

Anthea reported that Staff continued to search for an appropriate candidate to fill the Accounting position and would continue to network and run ads in the local newspaper(s).

B. Resolution Recognizing the Application to the State Water Resources Control Board for Funding of a Loan from the State Revolving Fund

Anthea updated the Board on progress related to the preparation of the four applications needed to for the District to apply for an SRF loan to support its Irrigation System Improvement Program. She proposed the amount requested from the Clean Water SRF Loan be \$5M, and estimated the application(s) could be submitted by August 10<sup>th</sup>. Anthea reviewed a Resolution Recognizing the Application to the State Water

Resources Control Board for Funding of a Loan from the State Revolving Fund, which was a requirement of the Application Package, and which was approved as follows:

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

C. Division IV Vacancy Update

Anthea shared that she had been consulting with Ernest on the issue of filling a mid-term vacancy on the Board of Directors Division IV seat that was not up for election this year, and that he advised that the Board may appoint a landowner within the division to the seat, but because of the number of days between the vacancy and the next election, Division IV would need to be noticed for a two-year term in the upcoming November election. Similar to the other Divisions noticed, if only one candidate files for the position, the Board would make request the County appoint, otherwise an election would have to take place. All required notices regarding the Division IV vacancy had been had been posted for the 15-day notice period. She also mentioned that Landowner Zach Maring had expressed interest in the Division IV position.

D. Resolution Approving Procedures for 2017 District Election

Anthea reported that all notices for upcoming elections had been published and posted and declarations of candidacy for Divisions 1, 3 and 6 would be accepted between July 17 and August 11 by 5:00 P.M. After review and discussion of the requirements of the election process, the Board approved the Resolution Approving Procedures for 2017 District election as follows:

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

E. Vehicle Incident Report

Adam reported that the Friday prior to the BOD Meeting, an orchard sprayer hit the side of District's work vehicle, which luckily didn't result in any injuries. Staff had yet to determine next steps with regard to repairing the vehicle and/or replacing it as was contemplated in the current years' budget.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided a list of the SLDMWA Board of Directors by division, which showed two open Alternate positions for the upper DMC area, and asked Board Member's to consider taking one of those positions. The Open SLDMWA Meeting Minutes were also provided for the Board's review.

12. MANAGERS REPORT

A. Federal Legislation – Update

A letter from Governor Brown to Speaker Ryan opposing the "Gaining Responsibility on Water Act of 2017" was reviewed.

B. State Legislation – Update

SLDMWA's July State Legislative Update was provided which pertained to SWRCB Reform. Anthea also requested approval for writing a letter of support for CCID's special legislation to form the San Joaquin River Exchange Contractors GSA, which the Board approved as follows:

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

C. CA Water Fix – Update

Anthea reported that while the CWF was now approved on the State side, there still was no record of decision on the USBR's NEPA document, or a timeline as to when one would be issued. A letter from Congressman

Garamendi addressed to the Board of Directors and discouraging the District's participation in the CWF and shifting efforts to backing Prop 1 Projects was provided for the Board's review.

D. State & Federal Contractors Water Authority – Update

Anthea reported that a budget amendment had been approved by the SFCWA Board, clearly stating that starting next year, all members must pay equal shares. She noted that this will most likely have the effect of increasing the SLDMWA's contribution.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Staff reported on recent changes in Arvin Edison Water Storage District's Management team, news of a new Director for DWR, and shared Director Escobar's obituary. The Board discussed ideas on how to honor his memory.

14. CLOSED SESSION

Upon return from closed session, Anthea reported that the Board considered the item listed on closed session agenda and unanimously approved in substantial form the Lease Agreement and Option to Purchase Real Property Interest in partnership with CCID in support of the Orestimba Creek Recharge and Recovery Project.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 3:25 p.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
JUNE 21, 2017  
MINUTES**

1. CALL TO ORDER

Vice President Earl Perez called the meeting to order at 8:44 a.m. Board Members present Tom Dompe, Bill Koster, Peter Lucich and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea requested to delay Item 4-A, to allow the Board of Directors time to review the 5/17/17 Regular Meeting of the Board of Directors Minutes.

4. MONTHLY REPORT ITEMS

A. Approval of Minutes from the Regular Board Meeting of 5/17/17

The Minutes from the Regular Board Meeting of 5/17/17 were unavailable.

B. Approval of Monthly Accounting Report

The Monthly Accounting Report for the month of May was provided and reviewed with the Board.

C. Approval of Monthly Field Operations Report

Adam presented and provided the Monthly Field Operations Report for the month of May.

The Board approved the Monthly Accounting Report and the Field Operations Report as presented and as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that pumps were operating at full capacity and shared that CVP pumping combined with Mendota Pool deliveries during the first half of May was able to both meet demands and keep CVP San Luis full. She added that although a drawdown in San Luis occurred late in May, it was still possible that it could refill during June. If it did not, it was possible that Reclamation would move to convert the remaining 160 TAF of rescheduled supply to Project supply and the District would lose some quantity of Rescheduled supply.

B. 2016 Rescheduling and San Luis Reservoir Refill Report

Anthea presented Reclamation's letter titled Final Approved 2017 Rescheduling Request – Rescheduled from 2016 to 2017 – Delta Division – Central Valley Project, which indicated receipt of District's final request for rescheduling 37,664 AF of 2016 CVP Project and Non-Project water for use in the 2017 contract year. She also provided Reclamation's response letter to the Districts' proposal for allowing contractors to take rescheduled project and forbearance water from the San Luis Reservoir at prior year published CVP water rates for 2013, 2014, 2015 and 2016 in exchange for an acre-foot for acre-foot reduction in the 2017 water allocation. The letter indicated Reclamation's acceptance of the proposal. With this proposal, the District's losses of non-project water would be limited to 9,477 AF.

C. Monthly Supply/Use/Completed Transactions Summary Report as of 5/31/17

Adam reported use for the month of May at 9,148 AF, total transfers out at 38 AF, total use for the 2017-18 year at 14,929 AF, and an estimated 106,183 AF projected for rescheduling into the 2018-19 Water Year.

6. DRAINAGE ACTIVITIES

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

Adam presented the SJVDA Regular Meeting of the Board of Directors Minutes for the Board to review as well as the Water Quality Value Exceedances for the period of 2/1/17 to 2/28/17 Report. He also shared that District was only 72% compliant as many of its members had yet to turn in their paperwork requirements to the Coalition. A copy of a letter that would be mailed out to those members was provided for the Board's review as well.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities – Update

Anthea reported that Staff had officially submitted a GSA formation notice. She mentioned that once submitted, the District was notified that its shape file showed an overlap in boundary lines with CCID's shape file, and that the two agencies would resolve the issue and resubmit the files to DWR.

B. USBR NEPA Review of Environmental Documentation Supporting District's Warren Act Contract for Conveyance and Storage of Pumped Groundwater – Update

Anthea shared that District was asked to do a mid-term review of the environmental documentation supporting the DMC Pump-In Program Warren Act Contract, specifically in relation to any changes required due to the passage of the Sustainable Groundwater Management Act. She mentioned that the Bureau gave a list of items they required and that the SLDMWA on behalf of all of the Upper DMC Pump-In Program had hired a consultant to assist with the requests. She reported that the Districts were going to request that the Bureau delay the requirement for certain of their requests until a GSP was in place for the Delta-Mendota Subbasin, as much of the information requested had yet to be developed. Given the importance of renewing the WA contract for the next five year term, finding a balance on the issue would be important.

8. FINANCIAL MATTERS

A. Cash Flow Report / Reserve Fund Update

No Report.

B. GASB 68 Proportionate Share of CalPERS Pooled Plan Report for FYE 02.28.17

Anthea provided the Executive Summary and an explanation of Bickmore's Draft February 28, 2017 FYE GASB 68 Accounting Report for the measurement period July 1, 2015 to June 30, 2016. The report indicated that the District's Net Pension Liability at 02.28.17 should be reported as \$405,526, and the reportable pension expense for the Fiscal year be \$64,368.

C. CVP Cost Allocation Study – Update

No update.

D. Treasurer's Quarterly Investment Report for the First Quarter Ending 05.31.17

Treasurer Hansen provided and reviewed the Quarterly Investments Report for the First Quarter ending 05/31/17, which was approved as follows:

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

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Staff gave updates on recent activities of the NVRW, specifically construction progress for the Modesto component and funding mechanisms being pursued, including an effort by Rep. McNerney for the authorization of funding for 23 water recycling projects, including the NVRW. She shared that a second progress payment from the Prop 84 grant in the amount of \$126,671.58 had been duly received and forwarded to the



City of Modesto for application to construction costs. For the Modesto component, proximity of Swainson's Hawk nests in the vicinity of the project footprint continued to cause delays; For the Turlock component, a similar issue is expected and Anthea reported that as part of the final permitting for Turlock an incidental Take Permit would be applied for in the coming month. She further reported that Turlock continued to work with on their design, with 90% design expected in August.

1. Mitigation Measure BioCUM 1 Per NVRWP NEPA - Update

Anthea informed the Board that the District would not be utilizing OID's HBII project as its Biocum 1 mitigation measure, and that Staff would be working on coming up with an alternative. The primary reason was that the amount of contribution DPWD would provide would not wholly fund the project.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that CCID was preparing to approve the project's Negative Declaration and that the District would do same as a responsible agency. She further reported that Staff of both Districts continued to work on the required project agreements.

C. Del Puerto Canyon Reservoir Project – Update

No update.

10. ADMINISTRATIVE ACTIVITIES

A. SWRCB Fee Litigation – Update

Anthea reported that the District had paid \$1,151.19 towards the legal effort for the SWRCB Fee Litigation, which covered the period April 2015 through February 2017. The fees were minimal because the case had not moved much through the court's process.

B. Staffing Update

Anthea reported that June 30, 2017 would be Joy Hughes' last day with the District, and that efforts were under way to find a replacement.

C. Resolution Recognizing the Contributions of Larry Parlin, City of Modesto Utilities Manager, to the Progress of the North Valley Regional Recycled Water Program

Staff reported that Modesto's Director of Utilities, Larry Parlin, was departing from Modesto's Staff at the end of June, and recounted for the Board the primary role Mr. Parlin played in moving the NVRWP forward over the last three years. After consideration, the Board unanimously approved a Resolution recognizing Mr. Parlin's efforts, motioned by Director Jasper and seconded by Director Lucich, as follows:

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

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided the subject reports for May/June SLDMWA meetings and activities, and reported that current focus at the Authority was on succession planning, staffing, and strategic planning.

12. MANAGERS REPORT

A. Federal Legislation – Update

There was no update on this item.

B. State Legislation – Update

There was no update on this item.

C. CA Water Fix – Update

Anthea gave a brief status on the CA Water Fix and provided articles on the matter as well as copies of the Power Point presentation given at a June 5<sup>th</sup> SLDMWA Staff presentation which covered various aspects of the

California Water Fix Project. She further outlined and provided a copy of the District's comment letter regarding Reclamation's proposed Participation Approach V.8 white paper, where concerns about participation requirements, financing, and other issues needing clarification were expressed. White paper was also provided for the Board's review.

D. State & Federal Contractors Water Authority – Update

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Articles pertaining to potential water storage opportunities in Los Vaqueros Reservoir and a news release from BOR announcing a proposed \$1.1 Billion Fiscal Year 2017 Budget were distributed.

14. CLOSED SESSION

There was no closed session.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

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

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
MAY 17, 2017  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:38 a.m. Board Members present Tom Dompe, Earl Perez, Bill Koster and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

Anthea shared that Staff had a new member of the family as Joy Hughes became a grandmother with the welcoming of her grandson on Mother's day, May 14, 2017 and added that Adam and Chelsea Scheuber were expecting their first child in October.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea requested that Closed Session be held after the Monthly Report Items (IV) to accommodate the schedule of Special Counsel. There were no other changes to the Agenda.

4. MONTHLY REPORT ITEMS

A. Approval of Monthly Accounting Report

The Monthly Accounting Report for the month of April was provided and reviewed with the Board.

B. Approval of Monthly Field Operations Report

Adam presented and provided the Monthly Field Operations Report for the month of April.

The Board approved the Monthly Accounting Report and the Field Operations Report as presented and as follows:

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

5. CLOSED SESSION

\*Conference with Real Property Negotiator Anthea G. Hansen Regarding Terms of Lease Agreement and Option to Purchase Real Property Interest in Partnership With Central California Irrigation District in Support of the Orestimba Creek Recharge and Recovery Project-Pursuant to Govt Code Section 94956.8

\* Conference with Special Counsel Regarding Existing Litigation Pursuant to Subdivision (a) of Government Code Section 54956.9

Anthea reported that the Board of Directors met in closed session and no reportable action was taken on either of the items.

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that the USBR announced a 100% SOD Ag Service allocation as of April 11<sup>th</sup> following DWR's March 30<sup>th</sup> Snow Survey; also provided were Tom Boardman's May Project Operations Update which reported on CVP's 80% pumping capacity for most of the month of April, storage reports for Shasta and Folsom. CVP Demands during April were about 55% above the 15 year average.

B. 2016 Rescheduling and San Luis Reservoir Refill Report

Anthea shared that an official accounting of total rescheduled water was not available at the time but that the preliminary total was about 420 TAF, of which 330TAF remained in CVP San Luis and would be converted to Project water at the rate of impeded CVP pumping caused by insufficient storage space. A graph showing the 2017 San Luis Storage Refill Projection with a 50% Exceedance Hydrology was provided and reviewed with the Board.

C. Monthly Supply/Use/Completed Transactions Summary Report as of 4/30/17

Anthea reported in-District use for the month of April at 4,385 AF and transfers out of 118 AF, total use year-to-date of 5,743 AF, and estimated deliveries of 74,971 AF for the remainder of the water year. All Supplemental Supply transactions are suspended this year, with the exception of District's obligation of 1,290 AF from Exchange Contractors.

D. Review and Consider Agricultural Water Transfer to Inland Empire Irrigation District

Anthea shared that District was approached regarding Inland Empire Irrigation District (IEID), who provides wholesale surface water to Southern California. IEID was looking to purchase 10,000 AF of water at \$200/AF. She shared with the Board the possibility that this transfer could offset potential rescheduling losses if the various governing agencies granted approval before the end of the rescheduling period. After discussion, Anthea suggested pursuing the transfer approval with all transfer costs to be covered by IEID. The Board approved District Staff to move ahead with looking into the transfer as follows:

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

6. DRAINAGE ACTIVITIES

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

Adam reviewed the SJVDA/Westside San Joaquin River Watershed Coalition Reports on salinity and nitrates. Also discussed were upcoming guidelines on and requirements on private wells.

7. GROUNDWATER MANAGEMENT ACTIVITIES

Anthea provided and discussed a publication regarding groundwater in California as well as a published Primer on Groundwater Rights for the Board to review.

A. Sustainable Groundwater Management Activities

1. GSA Formation Report

Anthea provided the Notice of Intent to become a Multi-Agency Groundwater Sustainability Agency with Oak Flat Water District sent to DWR, as well as a draft copy of an MOA between DPWD & OFWD, establishing the DM-II Multi-Agency Groundwater Sustainability Agency in the Northern Delta-Mendota Region. After discussion, the Board approved the MOA as follows:

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

2. Other SGMA Activities Report

There was nothing to report on this item.

B. USBR NEPA Review of Environmental Documentation Supporting District's Warren Act Contract for Conveyance and Storage of Pumped Groundwater - Update

Anthea reported that the Bureau had requested Well Completion Reports and historical pump-in information on the wells in the upper DMC Pump-In program over the past 10 years. Although most of the data was readily available, some of the technical data was not. Through the SLDMWA, a consultant has been hired to help with that portion of information. She further noted that the District had made a request to DWR for Well Completion Reports, which would take some time to receive.

8. FINANCIAL MATTERS

A. CalPERS Employer Contributions and Update on Discount Assumptions-Report

Anthea reported that CalPERS' lowering of Discount Rates would be a budget implication going forward onto 2018, as their Board voted recently to lower the Discount Rate from 7.5% to 7% over the next 3 years, beginning

in 2017-18 reducing it to 7.375%, in 2018-19 down to 7.25% and in 2019-20 to 7.00%, bringing costs up for employer rates. It was currently estimated that this would result in a 1% a year increase for District rates.

B. Reserve Fund Report – Update

There was nothing to report on this item.

C. Consider REVISED 2017-18 Water Rates due to SLDMWA and USBR rate changes

Joy presented and discussed the Revised 2017 CVP Water Rates and finalized 2017-18 SLDMWA O&M Rates as adopted on May 4. She provided the Board with proposed District Water Rates based on these changes, revised to reduce the Ag Rate from \$115/AF to \$96/AF, Ag Full Cost from \$146/AF to \$127/AF, LTD Full Cost from \$170/AF to \$151/AF. After discussion and consideration, a motion was made to adopt the revised District Rate Schedule, but not to adjust Water Cost Pre-Payments previously on file. The motion was approved as follows:

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

D. GASB 68 Reporting Requirements: Board to Ratify Consultation Agreement with Bickmore for Proportionate Share of CalPERS Pooled Plan Report for FYE 02/28/17

Anthea shared that District is subject to GASB 68 Reporting Requirements (which replaced GASB Statement 27), requiring reporting of net pension liabilities in all accrual-based financial statements. This change prompted Staff to hire an outside consultant, Bickmore, to prepare the necessary calculation and Anthea requested the Board ratify her execution of a Professional Services Agreement in the amount of \$975 with Bickmore for calculation of the District's Proportionate Share of CalPERS Pooled Plan Report for FYE 2/28/17. The Board approved the request as follows:

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

E. CVP Cost Allocation Study - Update

Anthea reported that after almost a year of no information on the CVP Cost Allocation Study, Reclamation held a public meeting on April 28<sup>th</sup> to discuss the status of the ongoing study and covered the background and purpose of the study, current activities, study assumptions and the schedule. Anthea shared that Staff did not agree with some of the changes being made where many of the non-reimbursable benefits had been allocated to reimbursable purposes. She indicated she would stay engaged with other affected CVP Contractors to try to work through some of the issues with Reclamation.

9. SUPPLY DEVELOPMENT PROGRAMS

A. Review and Approve Proposed Project – HB2 – for possible Use in Meeting Mitigation Measure BioCUM 1 Per NVRRWP NEPA

1. Discussion Regarding NVRRWP Mitigation Measure BIO-CUM-1 Assistance with Salmonid Recover Plan Actions

Anthea shared that District had a Mitigation Measure Requirement in the NEPA documentation to provide a fisheries mitigation on the San Joaquin River or its tributaries. Staff, with the help of Oakdale Irrigation District, identified a project called the "Honolulu Bar Restoration Program II" as an appropriate project to fund. After review with District Counsel, and confirmation from RMC that the estimate of \$100,000 would be a very reasonable contribution, and if approved by the Board of Directors, the District would then work with Oakdale ID on the required agreements. After review and discussion, the Board approved a \$100,000 contribution to the costs of the Honolulu Bar Restoration Program II as follows:

Ayes: Perez, Dompe, Jasper, Koster  
Nays: None

Abstentions: None  
Absent: Escobar, Lucich

2. Review and Consider Range of Adjustments to Modesto DC Contract Incentives  
There was nothing to report on this item.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea presented the Board with an update from Provost & Pritchard for the month of May, and reported that efforts to finalize the NEPA documentation and related agreements were in process.

C. Del Puerto Canyon Reservoir Project – Phase 1 Task 3A Presentation - AECOM

Anthea introduced John Roadifer who gave a presentation on the Phase 1 Task 3A of the Del Puerto Canyon Reservoir Project. He covered the Reservoir Operational Model and Assumptions to the project, Finding, Limitations and References to their findings. For his presentation, the District was joined by WSID GM Bobby Pierce and Counsel Jeanne Zolezzi, as well as Jarret Martin, Engineer for CCID, as both local agencies had been asked about their interest in partnering on the DPCR as a Regional Project.

10. ADMINISTRATIVE ACTIVITIES

A. 2017 District Landowner Elections - Report

Anthea reminded the Board that Elections were coming up for Bill Koster, Division 1, Peter Lucich, Division 3, and Tom Dompe, Division 6, as their terms were coming to an end as of 12/1/17. A Landowner District Declaration of Candidacy Form was provided along with a list of the District Landowners in the affected Divisions.

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The Minutes for the SLDMWA BOD Regular Meeting for April 6, 2017 and O&M Report for April 2017 were provided for the Board's review. It was further noted that the Authority had pledged cooperation on the Temperance Flat Reservoir Project.

12. MANAGERS REPORT

A. Federal Legislation – Update

Family Farm Alliance BOD/Advisory Committee Teleconference Meeting Minutes for May 12, 2017 were provided for the Board's review. No other updates were made

B. State Legislation – Update

There was no update on this item.

C. CA Water Fix – Update

There was no update on this item.

D. State & Federal Contractors Water Authority – Update

There was no update on this item.

E. SWRCB Water Quality Control Plan – Phase I (Substitute Environmental Document) & Phase II Process – Board to Review and Consider Resolution Supporting ACWA Policy Statement on Bay-Delta Flows

ACWA Comments on the 2016 Bay Delta Plan Amendment & SED along with ACWA Policy's on Bay-Delta Flow Requirements were provided and reviewed with the Board. A copy of a Sample Resolution in Support of the ACWA Policy Statement on Bay-Delta Flow Requirements was presented. After review and discussion, the Board instructed finalization of a support resolution as follows:

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

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

Anthea reported that Staff had met at ACWA with Reclamation's Regional Director to discuss the NVRWP Update, General DPWD Planning issues and the 9d Contract Conversion. She also provided several articles on water conservation, Water Allocations for 2017, the NVRWP and several other related recycled water articles.

14. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

15. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:45a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
APRIL 19, 2017  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:38 a.m. Board Members present Tom Dompe, Earl Perez, Bill Koster and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. CONSENT CALENDAR

Because the reports had not been provided in advance with ample time for review, Anthea suggested they be addressed as regular agenda items as opposed to consent items.

A. Minutes for the Regular Board Meeting of 2/15/17, 3/15/17 and Special Board Meetings of 3/28/17 and 3/30/17

B. The Minutes for the Regular Board Meeting of 2/15/17, 3/15/17 and Special Board Meetings of 3/28/17 and 3/30/17 were provided and reviewed.

C. Approval of Monthly Accounting Report

Joy provided and gave an overview of the Monthly Accounting Report for the Board.

D. Approval of Monthly Field Operations Report

Adam provided the Field Operations Report for the Board to review and mentioned that several users were discovering leaks in systems that had not been used in 4 years due to lack of water supply and several repairs were scheduled. He added that due to said repairs, several access permits had been requested from the Authority.

The Board approved the Regular Board Meeting of 2/15/17, 3/15/17 and Special Board Meetings of 3/28/17 and 3/30/17, the Monthly Accounting Report and the Field Operations Report as presented and as follows:

Ayes: Perez, Dompe, Jasper, Koster

Nays: None

Abstentions: None

Absent: Escobar, Lucich

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea provided April's Project Operations Update from the SLDMWA and reported that space was being cleared in all the reservoirs for inflow from both storms and the predicted runoff. Increased releases from Shasta had reached over 30,000 CFS. As of April 6<sup>th</sup>, there was 4.4 MAF and the most recent B120 report showed about 2 MAF flowing into the reservoir during the next three months. She mentioned that Staff was keeping an eye out on the flows in Vernalis, as District would not be subjected to the April four-to-one IE ratio if flows continue to be over 21,750, and a one to one exchange could be done on exports. The pattern of the snowmelt would determine the amount of time this exchange would take place.



- B. Monthly Supply/Use/Completed Transactions Summary Report as of 3/31/17  
Adam reported use for the month of March at 1,100 AF, total transfers out at 140 AF with total use for the 2017-18 year of 1,240 AF, and an estimated 107,256 AF projected for rescheduling into the 2017-18 water year. Anthea reported that on April 11, 2017 the 100% allocation announcement was given and mentioned that this subject was to be discussed later in the meeting as Staff needed guidance on an issue pertaining to administering Water Cost Prepayments for this revised allocation.
- C. 2016 Rescheduling and San Luis Reservoir Refill Report-Update  
Anthea reported that District had successfully put the Volta and Grasslands Wells on hold temporarily, and the Exchange Contractors agreed to allow a one-time reduction in the CVP Ag Service Contractors share of the SJRECWA Transfer, therefore reducing District's portion by 50% to 1,290 AF. Scheduling for this water wouldn't start until July or August, giving some time for the Districts to use Rescheduled supply. Anthea also shared that District was forecasted to take Turlock recycled water as soon as the reservoir drew down in the months of June or July, if the ability to convey and store it returned.
- D. 2017 Operations Outlook  
Anthea reported that Yuba had C1 and C3 water available for purchase until April 13<sup>th</sup>, which the District declined. She also updated the Board on the release of the Draft Environmental Documents that were required for the Proposed Long-Term Exchange Agreements between Oak Flat Water District and Del Puerto Water District. She did not foresee any comments being made during the USBR's NEPA comment period.
- E. 2016-17 Additional Supplies Report  
There was no report on this item.

## 6. DRAINAGE ACTIVITIES

- A. SJVDA/Westside San Joaquin River Watershed Coalition Report(s)  
Adam provided the minutes from the 3/7/17 SJVDA Board Meeting and reported that some of the more important items discussed pertained to Watershed Management Plans. There were 73 total they were looking to remove from the portfolio. Several large sites included Marshall Rd., Ingram Creek, and Orestimba Creek. A summary of the NEP and FE/MWE that had been submitted to the Coalition was presented to the Board and showed a 71% return on the NEP and 67% return on the FE/MWE. Adam also reported that a major issue to address in the next few years was the Groundwater Quality Management Plan, a requirement from the State Board to put together a management plan to monitor and maintain groundwater. He added that the State would also be looking into documenting abandoned wells that were not properly destroyed and that the SLDMWA would be applying for funding to address that issue.

## 7. GROUNDWATER MANAGEMENT ACTIVITIES

### A. Sustainable Groundwater Management Activities

#### 1. GSA Formation Report

Anthea reported that all required hearings had been held and presented the SLDMWA SGMA Report for March 2017 for the Board to review. She reported that a SGMA Activity Agreement Management Committee Meeting took place on April 20<sup>th</sup>, where discussion of the process for putting out an RFP for GSP services was discussed. Also included for the Board to review was email correspondence from Stanislaus County requesting data from the District to support the StanCo PEIR Groundwater model effort, as well as from Merced County, who also requested similar information. Anthea also presented a memo from the Bureau where they requested a completion of analysis and report for the Pump-In Program by the SLDMWA and/or Districts by June 12, 2017 in order for the NEPA team to determine any adverse effects or unexpected impacts of the program over the past 10 years. She also provided LAFCO's Application for the detachment of the City of Patterson from the Del Puerto Water District and the corresponding resolution for the Board to review.

#### 2. Review and Consider Resolution Declaring Intention to Become a Multi-Agency Groundwater Sustainability Agency Under the Sustainable Groundwater Management Act

Anthea presented and reviewed the Resolution Declaring Intention To Become a Multi-Agency Groundwater Sustainability Agency Under The Sustainable Groundwater Management Act with the Board of Directors. Board Member Koster suggested a change to the title of the resolution be made

and Anthea concurred to change "MULTI-AGENCY" to reflect the names of the agencies to be in it. After review and consideration, the RESOLUTION DECLARING INTENTION TO BECOME A MULTI-AGENCY GROUNDWATER SUSTAINABILITY AGENCY UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT was approved with the change as follows:

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

## 8. FINANCIAL MATTERS

### A. Summary of Initial Water Year Data and Initial Assessment Role for 2017-18

Anthea reported that since last month, of the re-scheduled customer amount, about 7,000 AF was turned back to re-schedule and of the 65% allocation, about 13,500 AF was turned back as well. That remaining 20,000 AF that was turned back to the District was then placed in a re-scheduled supply pool and develop a District Bank.

### B. Review and Accept Treasurer's Report for the 4<sup>th</sup> Quarter ending 2/28/17

The District's Treasurer (Anthea) reported that the District had adequate cash on hand to meet 6 month needs under normal budget conditions. She further added that once pools are finalized for FYE 2/28/17, she provide an updated Cash Flow and Reserve Fund Report, and a recommendation for paying off the District's deficit with Reclamation. After review of the Detailed Quarterly Report of Investments, the Board accepted the Treasurer's Report for the 4<sup>th</sup> Quarter ending 2/28/17 as follows:

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

### C. Report on Final SLDMWA Activities Budget

Anthea shared information pertaining to the benefits the District receives from its membership in the SLDMWA as well as a breakdown on Membership/Activity Dues, information that staff will share at the next DPWD Customer Meeting. Also discussed was the \$22 million dollar CVP Capital Repayment Obligation which is due in 2030. She reminded the Board that although steps had been taken to put money aside, the CVP Capital Fund has nowhere near the amount needed. She shared that under the WIIN Legislation, there is a 5 year window to pay off CVP capital and convert the District's contract to a permanent 9D Contract, and that \$10,000 has been budgeted toward a Financial Analysis on this matter.

## 9. SUPPLY DEVELOPMENT PROGRAMS

### A. North Valley Regional Recycled Water Program – Update

A copy of the February 2017 Progress Report was provided for the Board to review and Anthea reported that a good section of the pipeline was constructed. Also provided was the April 10, 2017 Joint Powers Agreement Policy Committee Meeting Agenda for the Board to review. Adam reported that the week prior, a bird surveyor found some Swainson Hawk nests that are considered endangered, must have a ½ mile radius from nests where no work can be performed without an "Incidental Work Permit". They were able to work up to Baldwin Rd., but would have to wait for said permit to be granted before any more work could be done and the earliest a permit could be granted was May 15<sup>th</sup>.

#### 1. Discussion Regarding NVRRWP Mitigation Measure BIO-CUM-1 Assistance with Salmonid Recover Plan Actions

Anthea updated the Board on activities related to this mitigation requirement.

### B. Orestimba Creek Recharge & Recovery Project – Update

A Draft Environmental Assessment / Initial Study and Mitigated Negative Declaration to the CCID/DPWD Recharge Project was provided for the Board's review.

### C. Del Puerto Canyon Reservoir Project – Update

The scheduled presentation for this project was postponed until the May Board Meeting.

10. ADMINISTRATIVE ACTIVITIES

A. Review Memorandum Regarding Establishment of District Policy Regarding Cannabis-Related Activities

Anthea reported that all counties were looking into amendments to their permitting rules due to the State's passage of the Cannabis Regulation and Safety Act and the Adult Use of Marijuana Act. Due to these activities still being illegal on the Federal side, the use of CVP water for growing cannabis is prohibited except maybe if the CVP supply was co-mingled with other supplies. It was suggested that the District may want to consider a policy that prohibits use of DPWD water on any cultivation of cannabis within its boundaries. After discussion, the Board guided Anthea to draft such a resolution for future Board consideration.

B. Report on Meeting with USBR Representatives Regarding California High Speed Rail Alignment

An Agenda from the High Speed Rail Site Visit as well as maps showing the impact footprint and of the proposed route were provided. As drafted, the HSR alignment would bifurcate the District near the Butts Road over-crossing of I-5 in Merced County.

C. Review and Consider Staff recommendation regarding Special Administrative Procedures for Allocating a 100% Contract Allocation

Anthea reviewed the District's 25% Water Cost Prepayment requirement and shared that out of 133 accounts, 24 had returned their 2017 supply and 9 had requested a reduction to a specific quantity. Of the 99 accounts that accepted their initial 35% allocation, another 65% was eligible to be allocated. Staff asked if another 25% WCP on the 65% allocation increase should be requested and after review and consideration, the Board advised that the WCP should be required per the District's Rules and Regulations and approved such as follows:

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

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

Anthea provided and reviewed the March O&M Report, SLDMWA Minutes for March, the April Water Policy Administrator Report, and a memo discussing Genetic Tracking of Central Valley Chinook Salmon.

12. MANAGERS REPORT

A. Federal Legislation – Update

There was nothing to report on this item

B. State Legislation – Update

There was nothing to report on this item.

C. CA Water Fix – Update

There was nothing to report on this item, however it was noted that over the course of the coming months there would be quite a bit of activity on this issue.

D. State & Federal Contractors Water Authority – Update

There was nothing to report on this item.

E. SWRCB Water Quality Control Plan – Phase I (Substitute Environmental Document) & Phase II Process – Update

Anthea provided an article on the ACWA Policy Statement on Bay-Delta Flow Requirements as well as Assemblymember Adam Gray's Press Release on the Bay-Delta Plan for the Board to review. She also reported on a documentary she was asked to participate in pertaining to the water and food nexus called "Beyond the Brink".

F. Re-Initiation of Consultation (ROC) on the Coordinated Long-Term Operations (LTO) of the CVP and SWP

There was nothing to report on this item.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

News releases pertaining to a Special Assistant for Panoche Water District, a Temperance Flat Reservoir Project, TID's Surface Water Supply project moving forward, and an article on the price of nuts lowering as the price of vineyards rises were included in the Board's packet.

14. CLOSED SESSION

Upon return from closed session, Anthea reported that the Board discussed matters listed on the Agenda, and that Staff had been advised to proceed with engaging special counsel to represent the District in a motion to intervene in the City of Fresno et al vs. USBR Court of Claims matter.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:23 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
MARCH 30, 2017  
MINUTES**

1. CALL TO ORDER  
President Gene Bays called the meeting to order at 3:00 p.m. Board Member present was Bill Koster.
2. OPPORTUNITY FOR PUBLIC COMMENT  
There were no public comments as there were no members of the public present. There were no additions or revisions to the Agenda.
3. PUBLIC HEARING TO DETERMINE WHETHER THE DISTRICT WILL FORM A MULTI-AGENCY GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE DELTA-MENDOTA SUBBASIN WITHIN ITS BOUNDARIES IN SAN JOAQUIN COUNTY, STANISLAUS COUNTY, AND MERCED COUNTY
  - A. Introduction – Gene Bays  
President Gene Bays provided an introduction of the issue at hand, and proceeded to introduce Staff.
  - B. Staff Presentation – Anthea Hansen  
Anthea gave a brief overview of the process and events leading up to the consideration of the District Multi-Agency Groundwater Sustainability Agency for a Portion of the Delta-Mendota Subbasin within its Boundaries in San Joaquin, Stanislaus and Merced Counties.
  - C. Opportunity for Questions and Requests for Clarification from Board Members  
There were no questions or requests for clarification from Board Members.
  - D. Opportunity for Public Participation – Questions, Comments or Objections from District Landowners  
There was no public participation.
4. ADJOURNMENT  
Being no further business, the meeting was adjourned at 3:05 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Anthea G. Hansen".

Anthea G. Hansen  
Secretary



**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
MARCH 28, 2017  
MINUTES**

1. CALL TO ORDER  
Board Member Tom Dompe called the meeting to order at 11:07 a.m. Board Member present was Earl Perez.
2. OPPORTUNITY FOR PUBLIC COMMENT  
There were no public comments as there were no members of the public present. There were no additions or revisions to the Agenda.
3. PUBLIC HEARING TO DETERMINE WHETHER THE DISTRICT WILL FORM A MULTI-AGENCY GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE DELTA-MENDOTA SUBBASIN WITHIN ITS BOUNDARIES IN SAN JOAQUIN COUNTY, STANISLAUS COUNTY, AND MERCED COUNTY
  - A. Introduction – Tom Dompe  
Board Member Tom Dompe provided an introduction of the issue at hand, and proceeded to introduce Staff.
  - B. Staff Presentation – Anthea Hansen  
Anthea gave a brief overview of the process and events leading up to the consideration of the District Multi-Agency Groundwater Sustainability Agency for a Portion of the Delta-Mendota Subbasin within its Boundaries in San Joaquin, Stanislaus and Merced Counties.
  - C. Opportunity for Questions and Requests for Clarification from Board Members  
There were no questions or requests for clarification from Board Members.
  - D. Opportunity for Public Participation – Questions, Comments or Objections from District Landowners  
There was no public participation.
4. ADJOURNMENT  
Being no further business, the meeting was adjourned at 11:09 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Anthea G. Hansen". The signature is written in a cursive style with a large, sweeping flourish at the end.

Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
MARCH 15, 2017  
MINUTES**

1. CALL TO ORDER

President Gene Bays called the meeting to order at 8:44 a.m. Board Members present Pete Lucich, Earl Perez, and Jim Jasper.

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda.

4. CONSENT CALENDAR

Because the reports had not been provided in advance with ample time for review, Anthea suggested they be addressed as regular agenda items as opposed to consent items.

A. Minutes for the Regular Board Meeting of 2/15/17

The Minutes for the Regular Board Meeting of 2/15/17 were not ready for approval.

B. Approval of Monthly Accounting Report

Joy provided an overview of the Monthly Accounting Report for the Board.

C. Approval of Monthly Field Operations Report

Adam provided the Field Operations Report for review.

The Board approved the Monthly Accounting Report and the Field Operations Report as presented and as follows:

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

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea reported that all reservoirs were full at the time, except maybe New Melones. About 420 TAF will be requested to be rescheduled by CVP Contractors and per the Rescheduling Guidelines, will be converted to Project water at the rate of impeded CVP pumping caused by insufficient storage space in San Luis. Del Puerto Water District has about 37,000 AF of re-scheduled water stored in San Luis. She shared that several factors could affect Ag and urban allocations which were the following: the amount of converted CVP contractor water to Project supply, the amount of Project water in CVP at sustained drawdown, San Joaquin flows during April and May, CVP demands prior to sustained drawdown, the amount of Mendota Pool demands met by flood flows, the potential OMR restriction during June and temperature operations for Shasta. Graphs showing the 2017 San Luis Storage Refill Projection at 90%, 50%, and 25% were provided for the Board's review.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 2/28/17

Adam reported use for the month of February at 13 AF, with total use for the 2016-2017 year of 27,729 AF, and an estimated 37,664 AF projected for rescheduling into the 2017-18 water year.

C. 2016 Rescheduling and San Luis Reservoir Refill Report

A letter to the Bureau of Reclamation requesting to reschedule the District's full 37,664 AF was provided. Also provided and reviewed was a copy of the SCCAO San Luis Reservoir Balance Report. Anthea shared that the longer the USBR can keep San Luis Reservoir full, the longer period rescheduled water can be used to avoid a loss due to foregone pumping. Anthea believed an Allocation announcement would be given by the coming week and indicated that Staff would put out a customer notice as well as a sign-up form once that took place.

D. 2017 Operations Outlook

Anthea provided Reclamation's February 28, 2017 News Release announcement of the Initial Water Supply Allocation for the CVP, which left South of Delta Ag at 0%, as well as Jason Peltier's SLDMWA statement on the 2017 CVP Allocation Announcement. Anthea indicated that although notice had not been received, she believed the SJRECWA would issue a notice of the availability of the 5-year transfer supply once Reclamation made a subsequent allocation announcement. DPWD could be required to purchase as much as 3,901 AF at a 50% allocation.

E. 2016-17 Additional Supplies Report

A DRAFT Water Year 2016 Additional Supply Source Options Report was provided and reviewed with the Board. The report indicated 21,850 AF secured at an average rate of \$561/AF.

6. DRAINAGE ACTIVITIES

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

Anthea provided the Minutes from the March 7<sup>th</sup> SJVDA BOD Meeting for the Board's review and Adam reported that the main subject discussed at the meeting pertained to the submittal of the Coalition's Groundwater Quality Management Plan and reporting details.

7. GROUNDWATER MANAGEMENT ACTIVITIES

A. Sustainable Groundwater Management Activities

1. GSA Formation Report

Anthea reported that the required public hearing notices announcing the meeting dates, times and locations to determine whether the District will become a Multi-Agency Groundwater Sustainability Agency were placed in the local Gustine and Tracy newspapers. Anthea also provided copy of Stanislaus County's LAFCO Public Hearing Notice & Request for Comments for Application No. 2017-01 – City of Patterson Detachment from the Del Puerto Water District which would be taking place on Wednesday, March 22<sup>nd</sup> in Modesto. With respect to costs, Anthea explained that the Northern DMC group would now be responsible for 50% of the SGMA Services Activity Agreement, as the Tracy Subbasin group had decided not to participate currently because their GSP submission date was 2 years following the DMC Subbasin groups. She further mentioned that GSA's would be discussing how to fairly count acreage within each of their boundaries, as the county had suggested much of their acreage was "hill ground" with no irrigation or water use. For now, costs would be split based on gross acreages within each GSA.

2. Review and Consider Resolution Approving Detachment of Certain Lands Previously Annexed to the City of Patterson to Eliminate Overlapping Boundaries

Anthea shared that LAFCO required a resolution from the DPWD Board of Directors to support approval of the detachment of District lands. She explained that if detached, the District was prepared to offer out-of-boundary service agreements to those affected Landowners. She presented and reviewed the Resolution Authorizing Detachment of Certain Lands Previously Annexed to the City of Patterson, which was approved as follows:

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



3. SGMA Budget Report

Anthea provided and reviewed the Northern Delta-Mendota Region Cost Alternatives beginning March 2017 with the Board. The report indicated the DPWD's "pre-grant funding" share would be \$152,964, or \$3.50 per irrigable acre. She mentioned that as Staff was going through the exercise of determining actual acres requiring coverage under SGMA this year, a plan would be proposed on how to bill those landowners within DPWD's boundaries, but not holding "irrigable" acreage i.e. excess lands, opt-out parcels, homesites, etc.

B. Review and Consider Amendment of the District's Groundwater Pumping Policy which supports use of the District's Warren Act Contract for Conveyance and Storage of Pumped Groundwater

Anthea reviewed the current Policy and explained the current storage situation in San Luis Reservoir, or lack thereof because the reservoir is predicted to remain full for some time. The Board discussed the merits of using surface water this year as opposed to groundwater (conjunctive use), and there was agreement that given the potential for a 100% allocation, use of the District's Warren Act Contract to support groundwater pump-ins should be temporarily suspended, and instructed Staff to notify all Landowners/Customers. After review and consideration, the Board suggested to temporarily suspend the Policy and voted as follows:

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

8. FINANCIAL MATTERS

A. 2017-18 Administrative Budget Report - FINAL

Joy presented and reviewed the 2017-18 DPWD Operating Budget Report with the Board. The 2017-18 Budget, Current 2016-17 Forecast and Prior Year 2016-17 Budget on Administrative Expenses, SGMA Dues, Coalition Membership Income & Dues and Capital Expenses were some of the items reviewed.

B. Summary of Initial Water Year Data and Initial Assessment Role for 2017-18

Anthea presented and discussed the Summary of 2017 Water Year Initial District Data Report, which indicated 37,664 AF of supply to be rescheduled, of which 34,211 was in customer names, and 3,453 AF remained in the District Bank (unsold). The report indicated a total assessed acreage of 43,560 AC for 2017-18.

C. Review and Consider DRAFT 2017-18 Water Rates

Anthea shared that Staff was in a situation where exact rates could not be determined because the SLDMWA had yet to set 2017 rates, and instead was using the 2016 rates until an allocation is announced. She explained Staff's proposed rates, and each of the components, which included a small component (\$5/AF) to be collected for the benefit of the District's Capital Repayment Fund. The Board questioned the increase in rates over the past few years, and Anthea explained that changes to the BOR's ratesetting formulas for the capital component (using 7-yr average deliveries vs historical and projected deliveries), coupled with the recent years of low allocation had caused increases to the rates. After discussing the different rate components and types (Ag, Ag Full Cost, Ag Limited Full Cost, M&I) the Board agreed with Staff's recommendation to round the rates up to the nearest dollar, and propose set the M&I Rate for 2017-18 at \$200/AF. The Board then approved the 2017-18 Water Rates as follows:

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

D. Review and Accept Treasurer's Report for the 4<sup>th</sup> Quarter Ending 02/28/17

This item was deferred to April's Board Meeting.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea provided the RMC Work Report for January for the Board's review and reported that the Central Valley Flood Control District was issuing a permit to allow drilling under the river. Adam reported that the canal crossings were almost completed.

1. Prop 1 CVPIA Grant Program Application – Update

Anthea provided a copy of a grant application submitted for the NVRWP and reported that she and Ellen Wehr, the in-house attorney for Grasslands WD, worked on drafting the Grant Application, which was submitted March 6<sup>th</sup>. The Application requested \$26, 695,480 from the California Prop 1 CVPIA Funding to use to pay the refuges share of future NVRWP supplies, or otherwise to fund construction costs in exchange for their supply.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea shared that Bureau of Reclamation should be posting an environmental document that would give NEPA coverage to receive the grant that would allow for this project to commence.

C. Del Puerto Canyon Reservoir Project – Update

Adam reported that the initial revised reservoir operations analysis including WSID and CCID had come back and that it would be ready with a presentation by the next Board meeting. Based on an initial review of what was received, DPWD would net less water from the reservoir, but would increase in total supply generated by about 250,000 AF over the next 25 years.

D. Review and Consider Third Amendment to San Luis and Del Puerto Water Districts Groundwater Acquisition Reimbursement Agreement for the Grassland WD Wells

Anthea recapped that District had a 5 year agreement with San Luis WD and Grasslands WD to use groundwater wells to produce up to 17,000 AF a year of supplemental level 2 exchange supply, which had room to add more wells to the agreement. The amendment would allow SLWD the placement of 2 new wells, for which they would receive credits for the wells for 2 years until their capital is recovered and would then give the District the option to start obtaining half the water. After discussion and consideration, the Board approved the Third Amendment to San Luis and Del Puerto Water District's Groundwater Acquisition Reimbursement Agreement for the Grassland WD Wells as follows:

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

10. ADMINISTRATIVE ACTIVITIES

A. Review and Consider Resolution Authorizing Submittal of the District's Water Management Plan to the USBR for Review

Anthea shared that the plan had not yet been completed and suggested they provide it electronically to the Board within the next week to allow them time to review before taking a vote on it. After discussion, the Board granted authorization to submit the plan at a later date as to allow time for the Board of Directors to review the document and approved the Resolution pending a 10 day review time as follows:

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

11. SLDMWA Report

A. SLDMWA Minutes, Reports and Issues Updates

The SLDMWA BOD Regular Meeting Minutes were provided for the Board to review. Anthea reported that the Committee and Board had recently nominated Cannon Michael, who was also a Board Member at San Luis Canal Company, as the new Chairman. Also provided was the Water Policy Administration Report and O&M Report for February for the Board to review.

12. MANAGERS REPORT

A. Federal Legislation – Update

Copies of a letter from Congress to the President asking for immediate action to facilitate work required to address the Oroville Dam situation were provided for the Board's review.

B. State Legislation – Update

A press release from Assemblyman Adam Gray proposing an overhaul of State Water Management was provided.

C. CA Water Fix – Update

There was nothing to report on this item.

D. State & Federal Contractors Water Authority – Update

There was nothing to report on this item.

E. SWRCB Water Quality Control Plan – Phase I (Substitute Environmental Document) & Phase II Process – Update

There was nothing to report on this item.

F. Re-Initiation of Consultation (ROC) on the Coordinated Long-Term Operations (LTO) of the CVP and SWP

There was nothing to report on this item.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A. Congressman Denham Roundtable Discussions

A copy of email correspondence announcing a roundtable discussion by Congressman Denham that took place on February 21<sup>st</sup> was provided for the Board's review.

B. ACWA Ag Initiative – Report

The Agenda to the ACWA Ag Initiative Meeting was provided for the Board's review.

14. CLOSED SESSION

There was nothing to discuss on this item.

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:23 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
FEBRUARY 15, 2017  
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

Gene Bays welcomed Supervisor Jim DeMartini to the Board Meeting.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea mentioned they may need to discuss Closed Session between Items 7 & 8, as to accommodate Board Member Lucich who was to leave at 10:45.

4. PUBLIC HEARING TO DETERMINE WHETHER THE DISTRICT WILL FORM A MULTI-AGENCY GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE DELTA-MENDOTA SUBBASIN WITHIN ITS BOUNDARIES IN SAN JOAQUIN COUNTY, STANISLAUS COUNTY, AND MERCED COUNTY

A. Introduction – President Bays

President Bays welcomed everyone and proceeded to read his introduction. He then introduced Anthea Hansen to give her Presentation.

B. Staff Presentation – Anthea Hansen

Anthea gave a brief presentation on the Multi-Agency Groundwater Sustainability Agency. After her presentation, President Bays asked if any member of the Board had any questions or comments of the Staff.

C. Opportunity for Questions and Requests for Clarification from Board Members

There were no questions or requests for clarification from Board Members.

D. Opportunity for Public Participation – Questions, Comments or Objections from District Landowners

There were no members of the public present. Being no further testimony to be presented, President Bays declared the public participation part of the hearing closed. He concluded the proceedings on the proposed formation.

5. CONSENT CALENDAR

A. Minutes for the Special Meeting of 1/16/17 and Regular Meeting of 1/23/17

Minutes for the Special Meeting of 1/16/17 and Regular Meeting of 1/23/17 were provided in advance for review.

B. Approval of Monthly Accounting Report

The Monthly Accounting Report for 1/31/17 was provided in advance for review.

C. Approval of Monthly Field Operations Report

The Monthly Field Operations Report was provided in advance for review.

The Board approved all Consent Calendar Items as follows:

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

6. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea shared that Operations had changed due to the extremely wet hydrology over the last month. She reported that pumps at both plants were operating at full capacity. Stateside there were about 10,300 cfs moving and Federal at 4,600 cfs. The State's share of San Luis Reservoir had filled the day prior and a portion of their continued pumping was being accounted for as sur-charging (floating) on the Federal side. An agreement with Reclamation was approved to provide 800 cfs a day of "Joint-Point" pumping. She indicated that the Federal share of San Luis was at 760,000 AF and believed it would probably fill by the end of February, beginning of March. Anthea reported that the biggest change from previous years' would be that the San Joaquin River would run higher, positively affecting import/export ratios and water quality. A 2016 Export Constraints Chart was provided for review. SLDMWA reports projected an Ag allocation for the 2017-18 Water Year at 30-40%, but Anthea believed it could potentially be more.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 1/31/17

Adam reported use for the month of January at 5 AF, a total supply of 65,390 AF projected to be available for the 2016-17 year, and an estimated 37,674 AF projected for rescheduling into the 2017-18 water year.

C. 2016 Rescheduling and San Luis Reservoir Refill Report

Anthea provided the 2017 Rescheduling Guidelines for the Federal Share of Storage in San Luis Reservoir – Mid Pacific Region (For Water Rescheduled from 2016 to 2017) – Central Valley Project (CVP) – California for the Board's review. She shared that the Report showed storage priority and indicated that lowest in the priority was all non-Project water, which would spill first. Highest in priority was the upcoming Contract Year Project Water, including Level II Refuge water. There was 760,000 AF in the San Luis Reservoir, with 450,000 AF of that storage water belonging to Contractors, leaving 220,000 AF of project water pending an allocation. Anthea also reported that in an effort to make any losses minimal, a proposal to Reclamation that in lieu of a higher allocation, each contractor be given a choice of how to color their fair share next year. The contractors were awaiting an answer from the Bureau on that suggestion. A letter from Staff requesting to re-schedule District's 2013 & 2016 Undelivered Project Water, 2016 Stored CVP Supply, 2015 & 2016 Stored Non-Project Supply & 2015 & 2016 Acquired Non-Project Water for an estimated total of 37,662 AF was provided for the Board's review.

7. DRAINAGE ACTIVITIES

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

Adam provided and reviewed the SJVDA Budget Summary and the SJVDA Budget Expenditure Summary for the 2017-18 Water Year.

8. FINANCIAL MATTERS

A. CVPWA 2017 Financial Affairs Issues Matrix

Anthea provided the CVPWA 2017 Financial Affairs Issues Matrix for the Board's review. She shared that she has been approached by a member of the executive Committee to take on the role of Chairman (Chairwoman). She expressed that she had not accepted but was considering the position.

B. Resolution Approving Delegation of Authority to Request Disbursements from the California Employers Retirement Benefits Trust (CERBT) for Other Post-Employment Benefits

Anthea shared that with two retirees now, the District's semi-annual requests for disbursements out of the Trust Fund to fund retiree health benefits had exceeded \$10,000. Per the District's contract with CalPERS, if a request exceeded \$10,000 it would require two (2) signatures. Anthea requested to add Joy Hughes to the Delegation of Authority to Request Disbursements so that she may also sign the requests on behalf of the District. A resolution to permit this action was presented to the Board for review. After discussion, approval of Delegation of Authority to Request Disbursements from the California Employers Retirement Benefits Trust for Other Post-Employment Benefits as follows:

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

- C. Oral Report of Final Action Recommendation for Local Agency Executive Compensation  
Per Government Code, the Board received a report on the Executive Compensation of the District's General Manager which indicated a base salary of \$187,500 plus taxes benefits totaling an additional \$57,895.

- D. Review and Approve Draft 2017-18 Administrative Activities Budget  
Joy presented the Draft 2017-18 Administrative Activities Budget package, specifically reviewing the major budget components of: Wages & Related Expenses, Association Fees, Legal/Consulting/Audit Fees, and Capital expenditures. She further reported on the addition of a separate category for SGMA related costs, with Anthea stating that these costs during the GSA development phase would need to be covered with a portion of the per-acre Water Availability Charge, but that in future budgets the District, or its GSA, would have the ability to collect SGMA GSP development costs separately per the SGMA legislation. Anthea guesstimated that after the increases for salaries and wages were input into the budget, the per-acre assessment needed to cover District costs would be about \$40-41/acre, with an additional \$3-4/acre needed for SGMA costs. After discussion, the Board approved a the budget at \$44/acre, instructing Staff to show clearly indicate the portion of the charge that would be needed for SGMA activities. Included in the motion was an instruction to pass on the \$5.10/acre costs of the Westside San Joaquin River Watershed Coalition to those covered acres opting participation through the District's membership in the SJVDA. The motion was approved as follows:

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

9. SUPPLY DEVELOPMENT PROGRAMS

- A. North Valley Regional Recycled Water Program – Update  
Anthea gave a quick report on recent NVRWP activities, and hi-lited some of the recent accomplishments for the Modesto segment.

- 1. Resolution Approving the Application for Grant Funds from the CVPIA Grant Program Under the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Prop 1)  
Anthea reported that the District had assisted in the final review of a Prop 1 joint grant application with Grassland WD, and that the effort supported a request for \$26,695,480 to be used subject to the terms and conditions outlined in a subsequent written agreement being developed per previously approved terms and conditions, which were also provided for the Boards review. After discussion, the Board approved the Resolution Approving the Application for Grant funds from the CVPIA Grant Program Under the Water Quality, Supply and Infrastructure Improvement Act of 2014 (Prop 1) as follows:

Ayes: Perez, Lucich, Dompe and Koster (Board member Jasper left after Item 8.D.)  
 Nays: None  
 Abstentions: None  
 Absent: Escobar

- B. Orestimba Creek Recharge & Recovery Project – Update  
There was nothing to report on this item.

- C. Del Puerto Canyon Reservoir Project - Update  
Adam shared that a presentation would be given at the March Board of Directors Meeting.

10. ADMINISTRATIVE ACTIVITIES

Although there was nothing to report on this item, Anthea reported that Staff would not be available the next day due to a scheduled Staff Outing to purchase items to convert the Library into a lunch room. The day would include lunch from the District at a location yet to be determined.

11. SLDMWA Report

A. SLDMWA Minutes, Operations & Open Session Legal Reports

The SLDMWA Minutes, Operations & Open Session Legal Reports were provided for the Board's review.

B. SLDMWA Budget – Report

A copy of the SLDMWA Science Manager Position ad was provided for the Board's review. It was noted that this position was new to the SLDMWA and that there was an assumption that the ideal candidate might lead to changes in the basic job description as written, given their specific area of expertise.

12. MANAGERS REPORT

A. Federal Legislation – Update

Anthea indicated that the drainage settlement with San Luis Unit districts (Westlands/San Luis/Panoche/Pacheco) had run into some snags because of the unrelated administrative procedure shortcomings currently being alleged against Panoche WD. She also reported that she had conferred with Ernest and neighboring Districts to address the section of the recently passed WINN Legislation that would allow the District to convert its water contract to a repayment contract. A financial analysis of that would need to be done, and \$5000 had been included in this years' budget for that specific purpose, if needed.

B. State Legislation – Update

Anthea informed the Board of Assembly Member Gray's efforts to legislate changes at the SWRCB. A copy of Assembly Bill 313 was provided for the Board's review. She shared that she had not prepared any comments yet, but would do so at a later time. With respect to the SWRCB, she also mentioned that the "Engineer" Board Member position was opening and Brad Hawn had submitted an application for it. The Board instructed Anthea to provide support as necessary to Brad, up to and including a letter of recommendation.

C. CA Water Fix – Update

There was nothing to report on this item.

D. State & Federal Contractors Water Authority – Update

A copy of the State and Federal Contractors Water Agency Board of Directors Meeting Agendas for January & February was provided for the Board along with the January Draft meeting minutes and the current years SFCWA budget overview. Despite efforts at the SLDMWA level to question the large cash carryover reserve held by the SFCWA, the budget still included \$792,500 in dues for the 2017-18 year.

E. SWRCB Water Quality Control Plan – Phase I (Substitute Environmental Document) & Phase II Process – Update

There was nothing new to report on this item.

F. Re-Initiation of Consultation (ROC) on the Coordinated Long-Term Operations (LTO) of the CVP and SWP

Anthea reported that due to new information and science on declining species, Reclamation had been instructed to re-initiate consultation with the agencies. The process is expected to take 3 to 5 years to complete.

G. San Joaquin River National Wildlife Refuge Proposed Expansion – Update

The U.S. Fish and Wildlife Service had released their final plan in January authorizing the expansion of the San Joaquin River National Wildlife Refuges. Anthea provided an overview pamphlet with some frequently asked questions/answers.

13. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A. Conference Reports – MP Region Water Users Conference, California H2O Women's Conference, and California Irrigation Institute Conference

Anthea and Adam attended the MP Region Water Users Conference where she gave a presentation on the Financial Panel. She also attended the California H2O Women's Conference with Frances Mizuno of the SLDMWA, and Adam had attended the California Irrigation Institute Conference. Copies of an article on Subsidence, a letter from CalPERS pertaining to a Discount Rate Change, and a letter from Panoche Water District responding to a report by the California State Controller explaining item mentioned in the State report.

B. ACWA Ag Initiative – Report

The Agenda to the ACWA Ag Initiative Meeting was provided for the Board's review.

14. CLOSED SESSION

15. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

16. ADJOURNMENT

Being no further business, the meeting was adjourned at 11:35 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary





**REGULAR MEETING OF THE BOARD OF DIRECTORS  
JANUARY 25, 2017  
MINUTES**

1. CALL TO ORDER

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

2. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

3. ADDITIONS/REVISIONS TO THE AGENDA

Anthea shared with guests John Hansen and Hunter Riddle that this was the second meeting for the Board of Directors this month, the first taking place on January 16, 2017 where most of the routine monthly reports were discussed and reviewed. She reported that "budget development background items" would be the focus of today's meeting.

4. CONSENT CALENDAR

A. Minutes for the Special Meeting of 1/16/17

The Minutes for the Special Meeting of 1/16/17 were not ready for approval and will be presented at the February Board of Directors Meeting.

5. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea shared that due to the recent storms, both the Jones and Banks Pumping Plants were operating at maximum capacity. As of that morning, the San Luis Reservoir had 1,557,000 AF total of its 2,221,000 AF storage capacity. She reported that about 10,000 CFS were moving through the Banks Pumping Plant and that the State share would likely fill by beginning of February and that the SWP might be "surcharging" to the Federal share if it does. The State might also offer Article 21 water to their contractors, or work to provide Joint Point Pumping to the CVP. If that were to happen, the Federal share of San Luis Reservoir would then be able to fill at a faster rate than 7,000-8,000 feet a day. Other variables she mentioned were flows at Vernalis. If flows got below 17,000-18,000 CFS, a reverse flow of the Delta rivers would cause the pumping plants to cut back. She reported that the State would cut back first, and the Federal side would continue at 5 units until capacity evened out and then the reduction would be shared. Anthea reviewed the San Luis Reservoir Draft Balance Report as of November 2016, and reported there were 458,000 AF as of November 30, 2016 stored in the San Luis Reservoir made up of both CVP and Non-Project Water. She pointed out that defining the types of water was very important to understanding storing priority and which supply would spill first. She added that along with the managers from several other contractors and the SLDMWA, she was planning on meeting with the Bureau that afternoon to work through the challenges posed by a refill of San Luis Reservoir with so much stored supply. Anthea also suggested that the District inform Users and give notice that after January 31<sup>st</sup>, they would be at risk of losing pump-in credits if they continued pumping. The notice would be able to be lifted at any time once the spill risk was gone. Staff recommended have all Users stop, but give them the option to continue at their own risk. The Board concurred.

6. GROUNDWATER ACTIVITIES

A. Sustainable Groundwater Management Activities - Report

Anthea reported that a Notice of Public Hearing announcing the GSA Formation was posted in the Patterson Irrigator, Tracy Press and Mattos Newspapers in Newman as required. A Public Hearing will be held at the beginning of the February 15, 2017 Board of Directors Meeting. Anthea shared that she was in the process of preparing a workshop and had invited Lyndel Melton and his team who are also SGMA Advisors for the SLDMWA, as well as District Counsel Ernest Conant. She proposed to WSID and PID this be a Board Member only workshop.

7. DRAINAGE ACTIVITIES

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

Adam reported he had attended a WSJRW Meeting the day prior in which it was announced that the 2017-18 Farm Evaluation Surveys and Nitrogen Management Summary Report were mailed out to all its members. He indicated that Users were asked to mail them directly to the Coalition, but he would be available to those who need assistance in filling them out. He indicated the importance of filling out the reports so as to avoid fines from the State Water Resources Control Board.

8. FINANCIAL MATTERS

A. Review Estimate for 2016-17 Administrative Forecast

Joy and Anthea presented, reviewed and discussed the 2016-17 Administrative Variance Report and the 2017-18 Payroll & Benefits Dictionary, noting that even with no changes to salary, there would be a slight increase due to the cost of certain benefits.

B. Review Estimate for Reserve Fund Balance

Anthea presented the Rate Stabilization Fund Report, which she indicated had been drawn on extensively this water year due to the slow development of the Additional Supplies Pool sales. She also mentioned there would be some true-ups this year and estimated the account had \$575,000 to work with. The last two installments of Supplemental Water were being collected and will be able to replenish the funds borrowed against the Rate Stabilization account.

9. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea presented the City of Turlock Resolution that was passed the night prior on a vote of 5 to 0 in favor of appropriating \$1,263,307 to the NVRWP fund from Fund 410 to fully fund professional engineering design and construction bidding services from for the Turlock portion of the NVRWP. Carrollo Engineering was the firm contracted to perform the task. She reported that the Modesto component of the pipeline had been slightly delayed of late due to rain. A Phase IV Budget Report from RMC was presented and it was reported that 71% had been spent and \$244,000 remained as of the end of October 2016. Del Puerto was to pay 10% of that and will budget appropriately to cover that in its 2017-18 Budget.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that the Environmental Assessment was moving forward and that the delay was due to CCID requesting and being approved for a \$600,000 grant which would offset Phase II of the Pilot, which required NEPA documentation to issue the grant. A proposed Schedule was also provided for the Board.

C. Del Puerto Canyon Reservoir Project - Update

Anthea provided a Phase 2A Feasibility Study Schedule for review and discussion. She reported that AECOM was close to finalizing the authorized interim study to include CCID and West Stanislaus operations. She indicated a report on Conceptual Reservoir Operations for Del Puerto Canyon Reservoir would be presented at the February BOD Meeting. If it was agreed upon to move forward, the cost of the next phase would be \$773,000.

10. ADMINISTRATIVE ACTIVITIES

A. 2017-18 Budget – Additional Considerations Update

Anthea reported that the estimate for the basin-wide development of the SGMA planning, finalization of GSA's, and initial data collection and model design for development of GSP's was around \$900,000. There were 3 sections (Southern Tracy, Upper DMC and the Central Basin), that would be splitting that amount. Anthea informed the Board that they would eventually have to make a decision on how to implement the collection of fees from the District's Landowners/Water Users for the development of GSP.

13. CLOSED SESSION

Upon return from closed session, the General Manager reported that she received guidance from the Board of Directors on performance evaluations and no action was taken.

14. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

15. ADJOURNMENT

Being no further business, the meeting was adjourned at 10:23 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary



**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
JANUARY 16, 2017  
MINUTES**

I. CALL TO ORDER

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

II. OPPORTUNITY FOR PUBLIC COMMENT

There was no public comment.

III. ADDITIONS/REVISIONS TO THE AGENDA

There were no additions or revisions to the Agenda and Anthea indicated there would be no closed session. The Agenda was approved as follows:

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

IV. CONSENT CALENDAR

- Approval of minutes from the Regular Meeting 12/21/16  
Minutes for the Regular Meeting 12/21/16 were provided in advance for the Board's review.
- Approval of Monthly Accounting Report  
The Monthly Accounting Report for December 2016 was provided in advance for the Board's review.
- Approval of Monthly Field Operations Report  
The December Monthly Field Operations Report was provided in advance for the Board's review.

The Board approved all Consent Calendar Items as follows:

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

V. WATER OPERATIONS & SUPPLY

A. Monthly Operations Update

Anthea indicated that operations were improved, with full pumping at both pumping plants. Due to this, it was projected that the State share of San Luis Reservoir would fill. She noted the possibility that the State could request to share encroach on the Federal side. If that happened, she assured the Board that State water would spill first. She further noted that a fill on the Federal share of San Luis Reservoir would depend on several variables unknown at this time. A copy of the January Project Operations Update was also provided for the Board's review.

B. Monthly Supply/Use/Completed Transactions Summary Report as of 12/31/16

Anthea reported use for the month of December at 227 AF, a total supply of 67,315 AF projected to be available for the 2016-17 year, and an estimated 38,923 AF projected for rescheduling into the 2017-18

water year. She further reported that the 50% exceedance forecast showed there may be a 15 to 20% allocation if the favorable weather continued to support pumping operations.

C. Additional Supplies Report Draft as of 12/31/16

Anthea provided the Additional Supplies Report Draft and reviewed all quantities, their source and rates. The report showed an estimated 23,747 AF of developed supply for the year.

D. 2017-2021 Warren Act Contract Supporting the Groundwater Pump-In Program – Status Update

Email correspondence concerning the 5-year exchange agreements and/or Warren Act contracts under the DMC Groundwater Pump-In Program authorizing the District to introduce, store and/or convey Non-Project water into the DMC was shared with the Board and Anthea reported that the discussion centered around contract dates and the possibility that the Contractors would be shorted 1 year due to an error in the original contract. She added that after much discussion and consideration, the BOR agreed to amend the exhibit to the correct date, and within the next 6 months would be working with the Contractors to re-evaluate the 10 year NEPA document in support of issuing a second 5-year term contract.

VI. GROUNDWATER ACTIVITIES

A. Stanislaus County Water & Technical Advisory Committee Report(s)

Adam provided the Stanislaus County Water Advisory Committee Agenda and reported on GSA Formation Status for Groundwater Subbasins in Stanislaus County as well as the status of the County's data compilation effort in its path toward a Groundwater PEIR.

B. Sustainable Groundwater Management Activities

• I. Review and Approve Draft SLDMWA SGMA Services Activity Agreement for the Northern Delta-Mendota Region

Anthea reviewed and discussed the Draft SLDMWA SGMA Services Activity Agreement for the Northern Delta-Mendota Region. After discussion and consideration, the Board approved the Draft SLDMWA SGMA Services Activity Agreement with the necessary edits that pertain to the District for the Northern Delta-Mendota Region as follows:

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

VII. DRAINAGE ACTIVITIES

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

Adam shared that no meeting was held for the month of December, but that he would be attending the SJVDA meeting the following day. He also reported that water sampling had been conducted the week prior. A list of District users who had not provided FEP or NMP reports was provided for the Board to review and Anthea suggested Adam contact those users who still have yet to turn in their reports in the next coming week. CV-Salts was also discussed, with Staff noting that a revised TMDL would be out in the coming year or so.

VIII. FINANCIAL REPORTS

A. Review Final USBR 2017 Water Rates

Joy reported that the Bureau had posted the 2017 Final Water Rates and provided a copy of District's rates, which showed a Cost of Service Rate of \$81.68 and a Full Cost Rate of \$112.42. She mentioned that the SLDMWA had not yet approved their 2017, rates but once received, Staff would prepare final Draft DPWD Water Rates for the Board's approval.

B. Review Draft 2017 SLDMWA Water Rates

There was nothing to report on this item as rates for 2017 had not been released by the SLDMWA.

C. 3<sup>rd</sup> Quarter Balance Sheet Analysis

A Balance Sheet Analysis report was reviewed. This report provided balances and detail on the District's Assets and Liabilities as of 11/30/16.

IX. SUPPLY DEVELOPMENT PROGRAMS

A. North Valley Regional Recycled Water Program – Update

Anthea reported that the City of Turlock received approval of their Water Right change in point of discharge, purpose of use, and place of use petition, which meant that they were now fully approved by the State Board to deliver recycled water to the Del Puerto Water District. Construction is underway on the Modesto component and all easements are soon to be in place. She indicated that she had scheduled an upcoming meeting with the City of Turlock pertaining to funding for the Turlock component, and continued to work with Grassland WD on their Prop 1 Grant request which could potentially provide all the funding for the Turlock component. RMC is also working with the State Board to get the SRF Loan Packet for Turlock in place and continue to work to get more grant funding for the Turlock component. An issue with the Mitigation requirements for the Swansons Hawk was also discussed, with Anthea indicating that the NVRRWP was going to seek coverage from an approved habitat conservation program in the Central Valley.

B. Orestimba Creek Recharge & Recovery Project – Update

Anthea reported that Staff continued to work with the Consultants at Summer's Engineering, Provost & Pritchard and the Bureau on the Environmental Assessment in support of the CCID Watersmart grant.

C. Del Puerto Canyon Reservoir Project – Update

Anthea shared that AECOM was finalizing the Phase II A, work and would be providing a presentation possibly at the January 25<sup>th</sup> BOD meeting.

X. ADMINISTRATIVE ACTIVITIES

• A. 2016 Water Smart Grant Program Application – Acceptance of Project Proposal Consideration and Supporting Resolution

Adam reviewed the grant outline, as well as a Draft Resolution to apply for the USBR's 2017 Water Smart Grant Program, which would be required to complete the application. He explained that the project would put a backbone system and some telemetric meters at key locations which would assist the District in better water conservation as it would give a better indicator on use. The development of a website where growers could check information on each meter was discussed as well. After review and discussion the 2017 Water Smart Grant Program Application – Acceptance of Project Proposal Consideration and Supporting Resolution was approved as follows:

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

XI. SLDMWA ACTIVITIES

A. SLDMWA Minutes, Operations & Open Session Legal Reports

Anthea provided the SLDMWA Minutes and mentioned that the main subject currently at the SLDMWA pertained to Budget issues.

B. SLDMWA Public Information Program – Update

Anthea reported that there had been much discussion at the SLDMWA BOD about the PIP, and added that it could potentially not appear, or appear in a reduced form, on the Authority's budget.

XII. MANAGER'S REPORT

A. Federal Legislation – Update

Anthea reported that the recently passed federal WIIN legislation potentially conflicts with State laws and court orders that are in place in California and it remained to be seen what ultimate affects the legislation would have on our ability to move water. She also shared that Friant contractors have served notice to the Federal Government to re-visit the San Joaquin River Restoration Program Settlement Agreement, as was their right to do so. A copy of an Executive Order from the Secretary of the Interior in Washington regarding Actions to Address Effects of Drought and Climate Change on

California's Water Supply and Listed Species was provided for the Board's review along with a few other articles. She shared that Congressman Valadao presented the GROW Act (Guiding Responsibility on Water Act), which she wanted to review and provide more information to the Board at a later time.

B. State Legislation – Update

There was nothing to report on this item.

C. CA Water Fix – Update

Anthea shared that this project seemed to be moving forward with the Federal Contractors but had yet to hear from the USBR on how Repayment would be applied within the Federal CVP. She mentioned there was still a small amount of money at the SLMDWA that could be used to continue to fund the CA Water Fix and DWR had asked for access to it. A decision on whether or not to fund it would have to be made within the month by those contractors with remaining funds, which did not include DPWD.

D. State & Federal Contractors Water Authority – Update

A SFCWA Mission and Strategic Objectives printout was reviewed with the Board.

E. SWRCB Water Quality Control Plan – Phase I (Substitute Environmental Document) & Phase II Process – Update

It was noted that the SWRCB had extended Comment Deadline Extended and provided a Reminder of Final Public Hearing Day regarding the WQCP.

XIII. ARTICLES/CORRESPONDENCE/PUBLIC OUTREACH

A newspaper article reporting the merger of Byron Bethany and Westside Irrigation District as well as an article on the CalPERS action to lower the discount rate to 7% over the next 3 years were provided for the Board's review.

XIV. CLOSED SESSION

There was no closed session.

XV. ITEMS TO DISCUSS PURSUANT TO GOVERNMENT CODE 54954.2

There were no items to discuss.

XVI. ADJOURNMENT

Being no further business, the meeting was adjourned at 9:55 a.m.

Respectfully submitted,



Anthea G. Hansen  
Secretary