



SANTA CLARA VALLEY WATER DISTRICT (VALLEY WATER)
WATER STORAGE EXPLORATORY COMMITTEE

MINUTES

MONDAY, DECEMBER 28, 2020
11:00 AM

(Paragraph numbers coincide with agenda item numbers)

A special meeting of the Water Storage Exploratory Committee (Committee) was held on December 28, 2020, via Zoom.

1. CALL TO ORDER

The Water Storage Exploratory Committee was called to order by Chair Director Gary Kremen at 11:00 a.m.

1.1 ROLL CALL

Valley Water Board Members in attendance were: Director Gary Kremen-District 7, Director Richard P. Santos-District 3, and Director John L. Varela-District 1.

Valley Water Staff in attendance were: Gina Adriano, Emmanuel Aryee, Aaron Baker, Erin Baker, Ricardo Barajas, John Bourgeois, Glenna Brambill, Bart Broome, Debra Butler, Keila Cisneros, Jessica Collins, Jerry De La Piedra, Andrew Garcia, Vincent Gin, Mark Gomez, Samantha Greene, Christopher Hakes, Brian Hopper, Dana Jacobson, Katrina Jessop, Cindy Kao, Kurt Lueneburger, Bill Magleby, Jennifer Martin, Michael Martin, Ryan McCarter, Heath McMahon, Devin Mody, Carmen Narayanan, Steven Peters, Michael Potter, Melanie Richardson, Metra Richert, Eli Serrano, Ranithri Slayton, Kirsten Struve, Charlene Sun, Darin Taylor, Sherilyn Tran, Bhavani Yerrapotu, and Beckie Zisser.

Guests in attendance were: Thomas Francis, Danielle McPherson and (BAWSCA), Steve Jordan (BAWSCA/Purissima Hills Water District), Maureen Martin, Ph.D. and Marguerite Patil (Contra Costa Water District {CCWD}), Bill Tuttle (San Jose Water Company), John Weed (Alameda County Water District {ACWD}).

Public in attendance were: Dolly Chen, Director Tony Estremera (Valley Water, District 6), Janell, Alan and Meg Giberson, Jeff Harvey, Katja Irvin, Director Linda J. LeZotte (Valley Water, District 4), Leslie Moulton-Post, and Mary Paasch.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA

There was no one present who wished to speak.

3. APPROVAL OF MINUTES

3.1 APPROVAL OF MINUTES

It was moved by Director Richard P. Santos, seconded by Director John L. Varela, and by roll call and unanimous vote carried to approve the minutes of the November 9, 2020, meeting of the Water Storage Exploratory Committee as presented.

4. ACTION ITEMS

4.1 UPDATE ON LOS VAQUEROS RESERVOIR EXPANSION PROJECT: JOINT POWERS AUTHORITY AND FINANCIAL MODEL

Mr. Michael Martin, Mr. Brian Hopper, and Ms. Charlene Sun reported on the following information:

The Water Storage Exploratory Committee discussed the following items: letter of intent (draft), JPA Agreement, Working Groups (Attorney/Finance), finance model (project level cost/usage fees), and allocation to partner yields.

Mr. Jerry De La Piedra, Ms. Samantha Greene, and Mr. Aaron Baker were available to answer questions.

The Water Storage Exploratory Committee took no action, however, they wanted to make sure the JPA Agreement and the Letter of Intent (have the 'redlined' version with the specific highlights for the Board/Committee Members to receive and be informed of any discussions, models, contracts, costs (even if estimates are given), and place in the Non-Agenda to apprise the Full Board so they can give input, and the Water Storage Exploratory Committee can review/analyze all documents before a contract/agreement is approved. Special Note: Have Vincent Gin, Jerry De La Piedra and staff to reach out to other water users to discuss the draft agreement.

4.2 PACHECHO RESERVOIR EXPANSION PROJECT UPDATE

Mr. Christopher Hakes and Mr. Ryan McCarter reported on the following information:

The Water Storage Exploratory Committee discussed the following items: costs, WIFIA allocation/WIIN Act, other funding, financial plan, project construction, debt service, Delta, rates, water storage, exploring P3 partners, San Luis Low Point issue, water sustainability, review of funding-methodology, "deep dive", and finance model.

Ms. Charlene Sun and Mr. Darin Taylor were available to answer questions.

Mr. Steve Jordan inquired about the rate increases and sources of revenue.

The Water Storage Exploratory Committee took the following action:

It was moved by Director Gary Kremen, seconded by Director Richard P. Santos, and by roll call and unanimous vote carried to approve recommending that the Board approve having the Pacheco Reservoir Project costs go to the Board Audit Committee to do an independent/third party audit to explore the cost increase issues.

4.3 STANDING ITEMS INFORMATION

Mr. Andrew Garcia and Ms. Cindy Kao reported

The Water Storage Exploratory Committee received updated information on the following projects: Andrew Garcia:

- Del Puerto: In November, group of NGO's filed lawsuit for impacts to recreation/protected species/neighboring communities and indigenous cultural sites wanting to block project, Del Puerto, Exchange Contractors and Denver Reclamation Offices project was approved so they are continuing their process and are sending the feasibility study to The Secretary of the Interior (The Secretary) year's end (Valley Water will be monitoring).
- Groundwater Banking: has a 'user group discussion' with So Bay Contractors, coordinating with Metropolitan Water District (MWD) for a similar working group, Buena Vista having preliminary discussion, McMullen Project, renamed/branded to Aqua Terra Water Bank.
- Semitropic: Participating in Board Meetings and Monitoring Groups, Imported Water and Office of Government Relations are helping with tracking efforts and Valley Water is compiling water quality data.

Cindy Kao:

- Sites: final Feasibility Report was transmitted to Congress on December 22, 2020, The Secretary determined project is feasible, therefore, is eligible for funds under the WIIN Act.
- Sisk Dam: final EIR/Supplemental EIS was published on December 18, 2020, San Luis Delta Mendota Water Authority is expecting The Secretary to sign off by month's end to be eligible for the WIIN Act deadline. The Record of Decision and Notice of Determination should be released by Spring 2021 if all is approved.
- Shasta: USBR released a final Supplemental EIS on November 19, 2020, for proposed raise of dam and supplemental EIS focused on requirements of the Federal Wild and Scenic River Act in modifications to the modeling to reflect the new biological opinion.

4.4 REVIEW WATER STORAGE EXPLORATORY COMMITTEE WORK PLAN AND THE COMMITTEE'S NEXT MEETING AGENDA

Ms. Glenna Brambill reviewed the materials as outlined in the agenda item.

The Committee took no action.

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE ACTIONS

Ms. Glenna Brambill noted there was one action item for Board consideration.

Agenda Item 4.2.

The Water Storage Exploratory Committee took the following action:

The Committee unanimously approved recommending that the Board approve having the Pacheco Reservoir Project costs go to the Board Audit Committee to do an independent/third party audit to explore the cost increase issues.

6. ADJOURNMENT

Chair Director Gary Kremen adjourned the meeting at 12:21 p.m.

Glenna Brambill
Board Committee Liaison
Office of the Clerk of the Board

Approved: 2-26-2021