

GOVERNING BOARD



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www.tularecounty.ca.gov

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FRIANT WATER AUTHORITY
JEFFREY PAYNE, *Alternate*
FRIANT WATER AUTHORITY

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TABLE MOUNTAIN RANCHERIA
ANGELA KARST, *Alternate*
TABLE MOUNTAIN RANCHERIA

MEMBER AT LARGE
ROBERT SILVA, *Director*



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REGULAR MEETING OF THE BOARD OF DIRECTORS OCTOBER 13, 2017 FRESNO IRRIGATION DISTRICT OFFICE 2907 South Maple Avenue, Fresno

MINUTES

CALL TO ORDER

The regular monthly meeting of the San Joaquin Valley Water Infrastructure Authority (JPA) was called to order at 9:00 a.m. on October 13, 2017, by President Steve Worthley.

PRELIMINARY MATTERS

At the request of President Worthley, Recording Secretary J. Randall McFarland called the roll of Board members. The following directors were present: President Worthley, Vice President Mendes, Directors Rogers, Verboon, Lopez, Preciado, Pope (*alternate for Chedester*), Michael, Silva and Phillips (*arrived 9:01 a.m.*). Staff present: Executive Director Mario Santoyo.

Others present (*from roll signatures*): Recording Secretary J. Randall McFarland; Pao Xiong, office of the Fresno County Auditor-Controller; Manuel Cunha Jr., Nisei Farmers League; Lisa Koehn, City of Clovis; Gary Serrato, Fresno Irrigation District; Gloria Preciado, Avenal; Jodi Raley, CCGA-WAPA; Julianne Phillips, Kings County; Chris Valadez, California Fresh Fruit; Sharon McHale, U.S. Bureau of Reclamation; Shannon Major, Senator Berryhill's office; Jeevan Singh, Mid-Valley Water District; and Rick Hoelzel, Kings River Conservation District.

The board and audience members joined in the Pledge of Allegiance, led by President Worthley.

President Worthley asked for consideration of the Minutes for the regular Board meeting held on September 8, 2017. Director Rogers moved, seconded by Director Verboon, that the minutes be approved as mailed. The motion carried unanimously.



PUBLIC COMMENT

President Worthley stated that at this time, members of the public could speak about any item of concern not appearing on the agenda, provided it was within the jurisdiction of the JPA. He said the total amount of time allocated for this public comment period would be determined by the Chair and each individual would be limited to three minutes. It was noted that matters presented during this public comment period may not be discussed or acted upon by the board at this time.

Director Verboon introduced Julianne Phillips, who has joined Kings County's Water and Natural Resources staff.

FINANCIAL

Pao Xiong, office of the Fresno County Auditor-Controller (which serves as the JPA Treasurer), presented the financial report. He said for the month ending September 30, 2017, the JPA had received revenue in the amount of \$350,405, or 69% of budgeted anticipations. The cash balance on September 30, 2017 was \$361,900. Remaining appropriations for FY 2018 as of September 30, 2017, amounted to \$471,080 with total budgeted cash remaining of (-\$109,180). *(A copy of the financial report is on file.)* Mr. Santoyo said the administrative budget anticipations would be made up when the Friant Water Authority and San Luis & Delta-Mendota Water Authority pay their dues. Mr. Santoyo did note that the budget anticipated dues from Table Mountain Rancheria, which have been waived for the time being. Mr. Santoyo also said, in connection with the four-party cost share agreement for engineering services under which each party is to contribute \$50,000, only the San Luis & Delta-Mendota payment has not been received. President Worthley asked that a partial payment be made to Stantec with available funds made available by the other three partners.

ORGANIZATIONAL

President Worthley noted that the Friant Water Authority has accepted the board's offer to become a JPA member. He welcomed Jason Phillips, FWA Chief Executive Officer, to the board. Mr. Phillips said he was pleased to be a director. He stated the FWA understands that San Joaquin Valley agriculture depends upon the infrastructure being proposed and pursued by the JPA. On motion of Director Lopez, seconded by Vice President Mendes and carried unanimously, formal approval was granted to add the Friant Water Authority as a JPA member.

Mr. Santoyo reported on the process to reauthorize the JPA to add the San Luis & Delta-Mendota Water Authority as a member and expand the board by one director. The Tulare County Counsel's office, with which the JPA is consulting, has a number of policy questions. Mr. Santoyo asked that a small ad hoc committee be appointed to work with legal counsel. Upon motion of Director Verboon, seconded by Director Rogers and carried unanimously, the board authorized formation of the committee and appointed President Worthley and Vice President Mendes to serve on it.



TECHNICAL ADVISORY COMMITTEE

Mr. Santoyo reported on developments associated with the Water Storage Investment Program (WSIP) application recently filed August 14 by Stantec on behalf of the JPA with the California Water Commission for more than \$1 billion in state water bond funding for the Temperance Flat Project's development. Remaining documents required by the Water Commission staff have been submitted. The staff has determined all 12 applicant-projects met basic eligibility criteria for applying and that the Water Commission would be asked to confirm the staff's findings on October 18. Mr. Santoyo reviewed the schedule that the Water Commission intends to follow leading to a final decision on June 18. After funding awards are made, applicants will have two years in which to line up local shares of funding. The amount of bond funding being sought in the JPA application has been adjusted downward to \$1.077 billion. The project's benefit ratio is listed currently as 2.84, an excellent ratio.

Ex parte communication rules are now in force for commissioners, Mr. Santoyo said. Site visits and/or applicant presentations may be scheduled, based upon a decision by the Water Commission on October 18.

Discussion followed on Stantec's scope of work in connection with Task Order No. 4, as updated October 5, with Stantec's proposal of \$162,422. Adjustments and revisions are already taking place; more definitive information will be presented at the JPA's November meeting.

A meeting with the Bureau of Reclamation related to these and other matters was called off due to illness and is in the process of being rescheduled.

EXECUTIVE DIRECTOR'S REPORT

Mr. Santoyo stressed the importance of the JPA having a presence before the California Water Commission in the months remaining before its crucial decisions. At the October 18 meeting, the Commission is to review the staff's recommendations on eligibility and receive information on problems. Public support and comments need to be expressed to the commission and its staff.

Sharon McCale, Reclamation Division of Planning branch chief, addressed the board. She stated Reclamation was focused on the WSIP application for Temperance Flat and now is working to exercise its contract with Stantec to revise the federal feasibility report on Temperance Flat to include the new locally-preferred plan as an additional alternative. There is ability within the Water Infrastructure Improvements for the Nation (WINN) Act that took effect in January 2017 for the Secretary of the Interior to authorize project construction but it would still need an appropriation from Congress.

Mr. Santoyo observed several related efforts are currently in process, including investor reviews of the project, reopening of the federal feasibility report, formal development of the locally preferred plan as well as the WSIP application. All of these are related. He suggested establishing a committee to establish a "game plan" framework, coordinate what needs to happen and monitor developments. President Worthley suggested modeling the committee and its membership along the lines of the partnership that worked with Stantec to develop the locally preferred operations plan. Ms. McCale said it would be useful if the JPA were represented on Reclamation's team to participate in meetings and discussions. Mr. Santoyo suggested that he participate.

Jason Phillips said Friant has begun contacting potential investors and has been successfully raising funds for technical work that is going to be required as well as the local portion of project funding. Mr. Phillips suggested that Bill Swanson of Stantec show a presentation he has prepared to explain the



project. The presentation is being used in meetings with potential investors. Mr. Santoyo said the presentation should be shown to the new committee and then to the JPA board.

Mr. Santoyo asked how Reclamation might expedite its process. Ms. McCale replied the agency and local interests have already done just that with Friant working with investors, plus the local partners having previously developed a locally preferred operations plan. Reclamation has a compressed timetable and must meet a Congressionally-imposed August 2018 deadline to complete the expanded feasibility study. The Bureau's focus is on the locally preferred alternative so the Reclamation process may not be as difficult as it was originally.

OUTREACH AND PUBLIC RELATIONS

President Worthley said he had met with State Board of Equalization Chair Fiona Ma, candidate for state treasurer. After being introduced to the project, Ms. Ma indicated she would be an advocate for Temperance Flat.

Mr. Santoyo reported California's Republican members of the state's Congressional delegation have signed a letter of support for the project and WSIP funding which has been filed with the California Water Commission. House Majority Leader McCarthy's office prepared a news release on the letter and submittal. President Worthley asked that a letter of appreciation be sent to Mr. McCarthy by the JPA. Mr. Santoyo added that the JPA continues to work with the offices of Senators Feinstein and Harris. Local legislators have all sent letters of support.

It was reported that Vice President Mendes and Mr. Santoyo appeared on a local television program hosted by John Mallos.

Mr. Santoyo said KMJ Radio is planning a series of discussion programs on Temperance Flat that the California Latino Water Coalition will help sponsor.

KMPH-TV, Fresno, is producing a one-hour live discussion program, "Battle for Valley Water Storage," October 26 which the Latino Water Coalition is helping sponsor. Jeff Aiella is preparing a 30-second spot on Temperance Flat. Mr. Santoyo will be on the panel as will ACWA's Tim Quinn, legislators and others.

Mr. Santoyo will make a presentation to the ACEC annual conference for civil engineers at Lake Tahoe October 9.

Two new videos that have been prepared for social media on behalf of the JOA by Jeff and Jill Aiella were played. Board members were asked to link on their own websites to the videos. Director Michael said the approach of these videos appears very standard and that a fresher and different approach is needed, with an emphasis on emotion. Other discussion focused on opportunities for messaging and messages, including targeting of specific groups. A conference call will be set up by Mr. Santoyo to discuss content of future videos.

Reclamation has been asked to prepare non-technical, "leave-behind" public affairs information that is brief and concise while being geared to the public.

REPORTS FROM DIRECTORS

There were no reports.

NEXT MEETING

The JPA's next board meeting is scheduled to begin at 9:00 a.m. Friday, November 10, 2017, at the board chambers of the Fresno Irrigation District, 2907 South Maple Avenue, Fresno, California.



ADJOURNMENT

There being no further business to come before the meeting, the same was adjourned by President Worthley at 10:50 a.m.

Respectfully submitted,

A handwritten signature in blue ink, which appears to read "J. Randall McFarland".

J. Randall McFarland
Recording Secretary