

GOVERNING BOARD



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 TABLE MOUNTAIN RANCHERIA

MEMBER AT LARGE

ROBERT SILVA, *Director*



EXECUTIVE DIRECTOR

MARIO SANTOYO

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REGULAR MEETING OF THE BOARD OF DIRECTORS

MARCH 9, 2018

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 9:05 a.m. on March 9, 2018, by President Steve Worthley.

PRELIMINARY MATTERS

The board and audience members joined in the Pledge of Allegiance, led by President Worthley. At the request of President Worthley, Acting Recording Secretary Cheryl Lehn called the roll of Board members. The following directors were present: President Worthley, Vice President Mendes, Directors Verboon, Lopez, Preciado, Chedester, Michael, Phillips and Silva. Staff present: Executive Director Mario Santoyo.

Others present (*from roll signatures*): Acting Recording Secretary Cheryl Lehn; Megan Marks, office of the Fresno County Auditor-Controller; Eli Cruz, SJVWIA; Manuel Cunha Jr., Nisei Farmers League; Shelly Abajian, U. S. Senator Dianne Feinstein's office; Justin Mendes, Congressman David Valadao's office; Julianne Phillips, Kings County; Lacey Kuiakui, Merced County; Jodi Raley, California Cotton & Growers Association & Western Agricultural Processors Association, and Gloria Preciado, Avenal.

President Worthley asked for consideration of the Minutes for the regular Board meeting held on February 9, 2018. Director Verboon moved, seconded by Director Silva, 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 everyone 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. There were no public comments.

FINANCIAL

Megan Marks, office of the Fresno County Auditor-Controller (which serves as the JPA Treasurer), presented the Treasurer Report. She also introduced a representative from the Fresno County Auditor-Controller's office, Accountant, Sonexay Sopha, who will be assisting her in the future. Ms. Marks reported that as of February 28, 2018, FY 2018, the JPA had received administrative revenue in the amount of \$407,852 and administrative expenditures of \$244,826. FY 2018 engineering revenues as of February 28, 2018, were \$294,640 and engineering expenditures amounted to \$199,836. The JPA's cash balance on February 28, 2018 was \$425,604. Remaining appropriations for FY 2018 as of February 28, 2018, amounted to \$399,800 with total budgeted cash remaining of \$25,804. *(A copy of the financial report is on file.)*

Ms. Marks introduced Price Paige & Company Accountancy Corporation representatives Fausto Hinojosa, Managing Partner/Audit Principal and Sam Babcock, Tax Supervisor/Audit Lead, to present the Audited Financial Statements for Fiscal Years ending June 30, 2016 and June 2017. A copy of the Independent Auditor's Report was distributed to the Board of Directors along with staff. It is the opinion of the firm that "the financial statements referred to above present fairly, in all material respects, the financial position of the San Joaquin Valley Water Infrastructure Authority as of June 30, 2017 and 2016, and the respective changes in financial position and cash flows thereof, for the years then ended in accordance with accounting principles generally accepted in the United States of America."

President Worthley stated that the Board may consider that a 2-year audit be done in the future to save money. Ms. Marks commented that she would have to see if the SJVWIA qualifies, since the JPA receives federal funds.

Mr. Santoyo presented a Draft FY 2018-19 Budget for review only. He asked for board feedback but no action at this time. The proposed draft budget for FY 2018-29 may be presented in April or May 2018.



Mr. Santoyo asked Bill Swanson of Stantec Engineering (via conference call) to review the engineering contract, "Task Order #5" entitled "Temperance Flat Reservoir Project Post-Submittal WSIP Application Phase II Support Scope of Work February 12, 2018." After a lengthy discussion, a motion was made by Director Preciado, and seconded by Director Lopez to approve the Estimated Base Task Order #5 in the amount of \$56,163 FY 2018-19 for the Temperance Flat Reservoir Post-Submittal WSIP Application Support Stantec Low Estimate for Advisory Support Only.

ORGANIZATIONAL

Mr. Santoyo gave the board an update on SJVWIA board memberships that were offered by invitation letters as a result of previous board actions. They are listed below:

- Fresno Irrigation District – declined membership, but may assist financially.
- Kern County – No response to date.
- City of Fresno – An upcoming meeting is being arranged by Vice President Mendes.
- Tribal Membership – Table Mountain will not be renewing its membership. The JPA will be following up by reaching out to other tribes.

WATER STORAGE INVESTMENT PROGRAM (WSIP)

Mr. Santoyo briefed the board on the California Water Commission's WSIP application schedule (copy attached) for May, June and July 2018.

Mr. Santoyo and Mr. Swanson reported on the SJVWIA letter of appeal to the California Water Commission dated Feb. 23, 2018 regarding the Public Benefits ratio (PBR). The JPA letter contains a "Statement Appealing the Staff Revised Public Benefit Ratio," the "Applicant's Corrected Public Benefit Ratio Value," and the "Summary of Adjustments to Public Benefit Ratio."

Mr. Swanson reviewed the economic and environmental values portion of the public benefits. Portions of the application cannot be appealed. The CWC is supposed to have a 2 to 3-day workshop in June or July wherein there will be a staff presentation, as well as an applicant presentation.

Mr. Swanson reviewed the next steps in the appeal process. The reviewer responds to the appeals. The response will be posted on April 20, 2018. The CWC will hold a 3-day meeting (May 1 – 3, 2018) to determine the PBRs. On May 25, 2018, the preliminary application scores will be posted. The CWC will have a 3-day meeting to determine scores from June 27 to 29, 2018. The final scores and application ranks will be posted on July 6, 2018. The CWC will have a 3-day meeting to determine maximum eligibility determine from July 24 to July 26, 2018.



Board members asked about the amount of latitude for decision making by the California Water Commissioners.

Mr. Santoyo reported that many of the State of California members of the Senate and Assembly have written letters to the CWC asking for a collaborative approach to the WSIP review process. In addition, the California Water, Parks & Wildlife Committee will be holding a hearing asking for more collaborative work between the CWC and the applicants, as well as hoping to re-empower commissioners with a review of Section 8 and what the 2014 bond intended for the Public.

Mr. Swanson commented that the California Water Commission can adjust staff recommendations up to 25 percentage points per category.

EXECUTIVE DIRECTOR'S REPORT

The California Water Commission meeting was held on February 21. Mr. Santoyo reported that it was one of the first meetings in which valley state legislators were engaged. They communicated to the CWC that the intent of Chapter 8 of the 2014 water bond was so that Commissioners would have more latitude in the process. Workshop sessions May 1-3 will be critical for the JPA to make its case to the commission, Mr. Santoyo reported.

Mr. Santoyo reported that Assemblyman Bigelow led the charge in getting at least 22 signatures from his colleagues for the follow up letter that was addressed to the CWC.

Mr. Santoyo reported that there has been a change in Water Commission Members. Former Commissioner David Orth did not re-apply once his term expired.

The next State of California Water, Parks and Wildlife Committee will meet on March 20, 2018. Mr. Santoyo will meet on Monday, March 29, 2018 for a briefing with legislators.

Friant Water Authority has requested a financial cost share agreement with the U. S. Bureau of Reclamation for the feasibility report. Mr. Santoyo was hoping to ask Mr. Phillips some questions regarding this request, however, Mr. Phillips had to leave early. The discussion was tabled until the next meeting upon motion of Director Verboon and seconded by Director Lopez related to the Agenda item 6.b., U. S. Bureau of Reclamation Board Position on Proposed Friant Water Authority Cost Share MOU with USBR regarding USJRBSI Studies and Feasibility Report.

OUTREACH AND PUBLIC RELATIONS

On February 27, 2018, the JPA held a Press Conference regarding the appeal letter to the California Water Commission. It was well attended and well covered.

Mr. Santoyo and Vice President Mendes were interviewed on the Evan Onstot, "Sunday Morning Matters: television show.



On April 25, 2018 from 6:00 to 8:00 p.m., the San Joaquin Valley Commission on Gubernatorial Debates will host a debate among candidates in the race for governor is to be held at CSUF. Mr. Santoyo is part of a team putting this together. He hopes to include water storage as a topic and include water position questions.

REPORTS FROM DIRECTORS

Director Lopez thanked Jose Ramirez for his support of water awareness. Orange Cove has named a club in Orange Cove after Mr. Ramirez.

Director Cannon reported that the San Luis & Delta Mendota Water Authority has appointed Chris White as his alternate on the SJVWIA board.

Director Verboon reported on the meeting he attended while in Washington, D.C. and mentioned Jose Ramirez's support in the "fight for water" series of matches.

Director Silva complimented Manuel Cunha, Jr. for the time he devotes to labor issues, immigration and water. He and Director Lopez both thanked Mr. Cunha for his efforts.

President Worthley met with the Valley delegation in Sacramento and discussed Temperance Flat and AB 623.

Director Chedester said he would like to coordinate with other interested parties that are short of water. He reported that only a 20% allocation on the West Side has been allotted and only 40% for Friant users. He wants to see support for Temperance Flat, water supply, Delta issues, and Delta improvements all be one united front. Director Lopez, President Worthley and Vice President Mendes all concurred.

NEXT MEETING

The JPA's next board meeting is scheduled to begin at 9:00 a.m. Friday, April 13, 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 11:15 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Cheryl Lehn".

Cheryl Lehn
Acting Recording Secretary

