The meeting of the Board of Directors of the Grassland Water District (GWD) was called to order by GWD Vice President Bob Nardi Tuesday, November 10, 2020 at 3:04 p.m. by teleconference under Executive Order N-29-20 from Governor Newsom.

**GWD DIRECTORS PRESENT AT ROLL CALL:** Byron Hisey, Bob Nardi, Fritz Reid. Each Director was asked to verbally confirm their presence. All directors responded as present.

**GWD DIRECTORS ABSENT AT ROLL CALL:** Pepper Snyder and Jeff Kerry. Jeff Kerry joined after roll call at 3:20 p.m.

**STAFF PRESENT:** Ric Ortega, General Manager; Veronica Woodruff, Treasurer/Controller; Ken Swanson, P.E., District Engineer/ Water Master; Ellen Wehr, General Counsel; Candace Sigmond, Environmental Education Outreach Coordinator; Becky Terranova, Scribe.

**GUESTS/ PARTNERS/ CONSULTANTS:** Mark Smith, Consultant, Smith Policy Group; Sean Allen, California Department of Fish and Wildlife (CDFW); Jeff More, Alpine Group, Consultant; Mark Biddlecomb, Ducks Unlimited; Gary Harris.

**PUBLIC PARTICIPATION:** Vice President Nardi asked if members of the public would like to address the Board on items under the jurisdiction of the Board.

Mr. Gary Harris commented about the bird die off in the Klamath Basin and inquired why nothing has been done about this issue. Mr. Smith reported that the federal government is proposing to spend $6.3M on the acquisition of water leases in the Lower Klamath but that much more is required.

**CORRECTIONS OR ADDITIONS TO AGENDA:** Vice President Nardi asked if there were any corrections or additions to the agenda. Mr. Ortega responded that there were none but did want to move policy consultants Mark Smith and Jeff More reporting up in the agenda.

**APPROVAL OF MINUTES:** Moved by Director Reid seconded by Director Hisey, the motion passed unanimously to approve the minutes of the September 15, 2020 GWD Board Meeting. Each Director was asked to verbally respond with their vote in which each did. Director Snyder and Director Kerry were absent.

**GWD PAYMENT OF BILLS:** A motion was made by Director Hisey seconded by Director Reid and unanimously carried to ratify October 2020 bills and to pay the November 10, 2020 bills. Each Director was asked to verbally respond with their vote in which each did. Director Snyder and Director Kerry were absent.

A motion was made by Director Hisey seconded by Director Reid and unanimously carried to accept the financial report for November 10, 2020. Each Director was asked to verbally respond with their vote in which each did. Director Snyder and Director Kerry were absent.

**FEDERAL POLICY UPDATE**-Mr. Jeff More, Alpine Group, reported that with the new administration coming in and with a Republican Senate the division of powers will probably be a good thing for the interests of GWD. It moves issues like infrastructure and water infrastructure investment closer to the top of the list of things that will get done in the first half of 2021.

The Senate Ag Committee, Senator Bozeman from Arkansas will possibly be the chairman, assuming the Republicans keep the Senate, Senator Bozeman is an avid duck hunter and is very good working on waterfowl issues.

Biden’s administration has appointed a transition team for the major agencies that deal with GWD issues.

January 5, 2021 will be two special elections in Georgia, there are two Republican Senators that are in a runoff and expectations are they will stay Republican seats, if they turn Democrat the Senate will be fifty-fifty and Kamala Harris will be the tie breaking person and would ultimately give the Democrats the majority in the Senate.

Kevin Washburn, assistant secretary for Indian Affairs at the Department of Interior and a Native American, has been made head of the Interior transition. He may be the one to bring significant resources to deal with the water issues in the Klamath.

A divided Congress ironically usually means that there is an opportunity to get things done in our areas of interest more effectively. The agriculture arena and water infrastructure arena have a busy year ahead.

Director Kerry joins the teleconference at 3:20 p.m.

**LEGISLATIVE UPDATE**- Mr. Smith reported on the following

**FEDERAL**

The House Ag Committee is looking for a new chairman and Jim Costa has put in for that position.

The Interior transition team doesn't have any west coast-oriented people which may take away focus from California and put renewed focus elsewhere.

HR3399 (Harder’s Nutria Bill) was signed by President Trump. Ric Ortega testified on this bill and the needs of the Nutria eradication program last spring. This bill adds funding nationwide, so it makes California eligible for funding. Will need to work on appropriations for this as a priority.

Progress on the Congressional stimulus has come to a halt. The Lame Duck session will establish the framework under which any further proposal will be considered.

The Great American Outdoor Act included a five percent, for five years funding for the UFWS for backlog and maintenance projects and funding for the LWCF this may be of help for the Lower Klamath Water Rights but the amount of funding is unknown.
Mr. Smith went over who may be chosen for the Interior Secretary in the incoming new administration, Senator Tom Udall, Senator Merin Heinrich and Congresswoman Deb Haaland all have been talked about to take the position. The projection front runner is pointing to Tom Udall. The Biden administration has also said it will make a few key cabinet appointments by Thanksgiving. Biden also claims he will roll back some of the environmental items that the Trump administration had put in place, there may be a few that is worth watching in that it may affect GWD.

**STATE**

California Election-in GWD local area Adam Gray was reelected, the Republicans lose two seats in the Senate, but add one to the Assembly. At the Federal level in Congress it looks to be David Valadao will be elected, and it looks like the Democrats may lose three to four CA Congressional seats.

Governor Newsom issued an Executive Order on 30x30 which requires a collaborative stakeholder process to provide a report to the Governor on how to implement the order, which calls for the protection of thirty- percent of the states land and coastal waters by 2030.

California Water Commission-Friant Dam received $173M of funding from that program but have determined that they won’t be able to use that funding within the timeline, so they are returning that money. It is unknown what CWC will do with the money.

CWC is also tackling a new topic. Conveyance restoration (Delta-Mendota Canal, CA Aqueduct, Friant Kern Canal). Mr. Smith will continue to follow up as this is of importance to GWD.

Mr. Sith reported that there is a vacancy on the Fish and Game Commission.

Mr. Ortega reported that Samantha Arthur with Audubon California has been appointed to the California Water Commission. She is a great advocate for the Grasslands and Wetlands everywhere so we are very happy to see her in that role.

**AUDITOR’S REPORT**- Mr. Ryan Jolley from Jolley and Associates gave a summary of the report for the fiscal year ending February 29, 2020. The Independent Auditor’s report offered a clean Auditor’s Opinion and that GWD financial books and records were found to be in accordance with generally accepted accounting principles. The audit also did not identify any fraud, deficiencies or weaknesses within the Internal Controls of GWD and the Management Report didn’t find anything out of the ordinary. Mr. Jolley also complemented the GWD accounting staff in providing all the information necessary in a timely manner.

A motion was made by Director Byron Hisey Seconded by Fritz Reid and unanimously carried to accept the auditor’s report. Each Director was asked to verbally respond with their vote in which each did. Director Snyder was absent.

**CONSTRUCTION AND OPERATIONS REPORT**

**GWD OPERATIONS WATER SUPPLY**- Mr. Swanson reported that fall flood up is complete and now staff is in maintenance mode. He reported that currently the contract water in the system is 240 CFS with 86 CFS being
delivered to the CDFW and USFWS. GWD has 161,112 AF total water supply for WY 2020, the use to date is 122,662 AF which leaves 38,450 AF for the remainder of the year. The average use November through February is 30 TAF so unless it’s an extremely dry year GWD should have IL4 to carryover.

**GROUND WATER**-Mr. Swanson reported that through the month of October GWD pumped 4,307 AF, giving a total to date of 15,867 AF. Water scheduled to be pumped in WY 2020 is 21,541 AF so there is 5,674 AF remaining to be pumped based on the initial projections.

**LOCAL RAINFALL**- Mr. Swanson reported that a new rain season has started and in October there was zero rainfall, November 0.13 inches of rain, with the season average of 10.04 inches.

**CVP WATER SUPPLY OUTLOOK**- Mr. Swanson reported that current storage in Shasta is 2.05 MAF, fifteen-year average is 2.29 MAF which brings storage to 90%. The accumulated inflow is 2.32 TAF, fifteen-year average is 2.83 TAF which brings it to 82%. Accumulated precipitation at Shasta is .028 inches with 63 inches being the fifteen-year average so it’s at 6%.

**RECIRCULATION PROJECT UPDATE**- Mr. Swanson reported that the project is ninety-nine percent complete and the three pump stations are fully operable, October pumping was 2,266 AF (with 1,133 AF L2 to SLWD) it is on pace to pump 3,500-4,00 AF in November and 10,000 AF for the WY 2020 (5,000 AF L2 to SLWD).

Mr. Ortega reviewed Resolution 2020-014 and brought it before the board members.

**GWD RESOLUTION 2020-014 AUTHORIZING EXECUTION OF GROUNDWATER PURCHASE AGREEMENT AND GRANT OF LICENSE FOR 2020-2021 WITH HOSTETLER RANCHES, LLC**

Mr. Ortega explained that he is seeking authorization by the board to execute an agreement with Hostetler Ranches for the direct acquisition of groundwater reimbursable by Reclamation.

A motion was made by Director Hisey seconded by Director Reid and unanimously carried to authorize the execution of a groundwater purchase agreement with Hostetler Ranch by the general manager. Each Director was asked to verbally respond with their vote in which each did. Director Snyder was absent.

Mr. Ortega reviewed Resolution 2020-15 and brought it before the board members.

**GWD RESOLUTION 2020-015 AUTHORIZING THE EXECUTION OF A WATER MANAGEMENT AND CONSULTING AGREEMENT WITH TIMOTHY POOLE**

Mr. Ortega explained that he is seeking authorization by the board to enter a 75:25% cost share agreement with the Grassland Fund to retain consulting service from Tim Poole sun setting November 1 of 2021. In this new
agreement on the GWD side Mr. Poole would continue to assist in running water and training staff but also to work with us to develop a prioritized list of projects throughout the district to improve operational flexibility, water conservation and drainage. On the Grassland Fund side Mr. Poole will research and write a book on wetland management in the GRCD. Both the Prioritized Project Plan and GRCD Wetland management handbook will be due as deliverables prior to this one-year agreement.

A motion was made by Director Kerry seconded by Director Reid and carried to authorize the execution of agreement with Tim Poole. Director Nardi abstained. Each Director was asked to verbally respond with their vote in which each did. Director Snyder was absent.

GENERAL MANAGER’ S REPORT

MAINTENANCE REPORT- Mr. Ortega reported that maintenance continue fighting invasive aquatic vegetation and responding to emergencies. Staff is avoiding disturbance especially on days prior to shoot days where feasible. Mark Freitas has been promoted to Conveyance and Construction Projects Manager and is settling into his new role well. On Monday GWD convened the first quarterly strategic planning meeting with the water department, maintenance department, water quality staff, Ducks Unlimited (DU) and California Waterfowl Association (CWA) to revisit awarded conveyance projects to be constructed this summer, and projects to be included in the February and July submittals to NAWCA or WCB. Additionally, compiled a list of accessory and improvements to those projects as well as discussing and compiling other high priority projects that we would be seeking outside funding for. This effort will allow for better coordination with other work being done in the district and assist in the refinement of cost estimates and proposals to have ready for upcoming funding opportunities. One real challenge facing GWD going forward is related to the prohibition of claiming the same acres that will benefit from these projects despite the fact that many of the acres claimed decades ago require conveyance restoration or improvements on a regular basis to maintain efficient deliveries to the habitat. This is something for GWD and partners to discuss to see if there is a policy or legislative fix. It was a productive morning and many thanks to Matt Kaminski from DU for catering lunch.

CENTRAL VALLEY PROJECT OPERATIONS- Mr. Ortega reported that Jones ran at about seventy-five percent capacity due to decreases in upstream releases as reservoirs approach their seasonal lows. CVP exports were forced to minimum exports of one unit yesterday and will remain there if no significant precipitation is received in the next few weeks. It looks like next week may bring some precipitation, but the intensity is still uncertain. The latest operations forecast shows Shasta refilling within 200 TAF of capacity by the end of May if the hydrology is average. Under a dry year hydrology, a Shasta Critical year, and the associated shortage provisions to the refuges, is likely. With an average hydrology San Luis is expected to fill by mid-March.

WATER SUPPLY

TRANSFERS- Mr. Ortega reported that United States Bureau of Reclamation has provided confirmation that the North of Delta permanently acquired incremental level 4 water did in fact move within the July-September transfer window. With the addition of that block and a block from MID we are looking at a ninety percent overall water supply for this water year.
GROUNDWATER—Mr. Ortega reported that staff is working to finalize the CEQA for the groundwater program going forward and is coordinating with USBR on the NEPA compliance.

WATER SUPPLY PROJECTS

LOS BANOS CREEK WATER MANAGEMENT PROGRAM—Mr. Ortega reported that the pipeline to introduce water into Los Banos Creek from the San Luis Water District lifts out of the CA Aqueduct was completed in October and has been delivering water into the LBC reservoir since. The lift will only occur during daylight hours to avoid any blowouts or avoidable erosion. GWD have had a couple meeting with Reclamation lately on this project and are working with them to renew the Riparian Diversion Exchange Agreement with San Luis Water District and the associated NEPA compliance documentation as it expires at the end of the water year.

DEL PUERTO CANYON RESERVOIR PROJECT—Mr. Ortega reported Del Puerto Water District certified the final EIR on October 21 but did receive opposition letters from a number of environmental groups including the Sierra Club, Friends of the River, and the Center for Biological Diversity. Del Puerto and the Exchange Contractors are still negotiating the federal feasibility study which would qualify them for WIIN Act funding. Nothing is final but we are hearing that they are proposing to provide up to 12 TAF in dedicated storage (15% of 82 TAF) and a proportionate share of the natural inflow as well as up to 15 TAF in a new water transfer supply for the refuges in exchange for a twenty-five percent federal investment. The dedicated storage could help offset the rescheduling that was lost in San Luis Reservoir and the transfer water could be prepaid through the federal investment. There may also be an opportunity to receive WSIP funding from the CWC especially now that Friant has elected to return the funding that they received for Temperance Flat.

DRAINAGE MITIGATION—Mr. Ortega reported that the GWD was chosen as a member of the Grassland By-Pass Project Mitigation Sub-Committee and collectively with CDFW and the FWS have developed a proposal of projects to recommend to the oversight committee which includes Reclamation, United States Environmental Protection Agency, the Central Valley Regional Water Quality Control Board, California Department of Fish and Wildlife (CDFW) and United States Fish and Wildlife Service (USFWS). The GBP mitigation fund has accumulated $435,000 through collections from the drainers for discharges into Mud Slough. The will of the subcommittee is to focus on projects that develop replacement water to mitigate for the loss of water that was historically provided by the drainers. Both CDFW and USFWS have identified several projects including wells and pump station refurbishments and replacements. Although the drainers are undertaking a large project to reconnect Mud Slough to the Newman Club and Newman Lake depending on the availability of funding after the priority project are complete on the public refuges, remaining funds may be used for well refurbishment(s) on the Newman club. Until the Mud Slough Newman Lake project is constructed the drainers will continue to provide water to the Newman Club.

SGMA—Mr. Ortega reported that GWD staff continue to coordinate with Audubon and their consultants from David’s Engineering on the refinement of a tool to streamline water budgets on managed wetlands in the San Joaquin Valley. David’s Engineering is working with GWD consultants at Provost and Pritchard to compare the assumptions and out-puts of the models to refine both approaches. Ideally GWD would be able to utilize the Audubon tool to meet the annual reporting requirement to Department of Water Resources to save time and money but with the same resolution of accuracy. The Delta Mendota Coordination Committee met yesterday where an agreement was approved with EKI to develop an RFP for a subsidence study to be conducted
with Proposition 68 funding that the GSP groups within the subbasin was awarded. As a component of this award funding was also received to assist in well inventories. A subbasin well inventory report deliverables for this agreement is February of 2021 but the GSP groups need more time so they will be requesting a fourteen-month extension to April of 2022. Currently most of the well completion reports are complete but will need to request those for new wells since the last time the group requested them and will need to begin the data entry and mapping effort for our GSP Area. Sending out a survey to landowners would help develop a more representative inventory as many drillers failed to file well completion reports going back in time.

GF & OUTREACH

PACIFIC FLYWAY CENTER-Mr. Ortega reported that GWD submitted a letter of support on the behalf of the Pacific Flyway Center in the Suisun Marsh, Fairfield. They are requesting up to $1.5M in Proposition 68 funding for the design and construction of the proposed “Walk in the Marsh”.

NATIONAL SCIENCE FOUNDATION-Mr. Ortega reported that GWD submitted a couple letters of support and collaboration to National Science Foundation on the behalf of UC Merced (AG AID) but also on the behalf of UC Davis, and the PPIC and others for the Dynamic Integrated Socio Environmental systems program (DISES). Both proposals would assist in decision making as SGMA is implemented.

HARVEST REPORT- Mr. Ortega wanted to give special thanks to Jessica Wright and Scott Capra with CWA for again following up with duck clubs’ multiple times requesting their harvest results and for again volunteering their time to enter and summarize the results. Unfortunately, there has been a big decline in the number of clubs reporting but the good news is a 4.5 bird average up from closer to a 4-bird average last year.

ENCROACHMENT-Mr. Ortega reported that on September legal submitted a letter to the Merced County Planning Director requesting work stop on new solar developments in and around the GEA. This was sent in response to four new solar facilities in direct proximity to habitat. A few subsequent meetings with the county have been had, but the county is maintaining that these are exempt from the conditional use permitting process since the energy is for on-site use only. GWD concerns are that there appears to be no size limitation to this exemption or consideration of the placement of these solar arrays as it relates to the proximity to habitat. We requested additional information on the county’s process and determination which they have provided.

LEGAL UPDATE- Ellen Wehr, General Counsel, reported on the following:

CVPIA RESTORATION FUND-Mrs. Wehr reported that Reclamation has yet to release its final guidelines and are currently being reviewed by the Office of Management and Budget.

GWD PRIORITIES-Mrs. Wehr reported that with a new administration coming in a list of priorities will be made for the next term.

ENCROACHMENT-Mrs. Wehr reported that Merced County did not discuss the four solar projects in the GWD habitat areas due to existing zoning codes, but after several meetings and document requests the county has offered to work with GWD to develop a set criteria for future permits.

CITY OF LOS BANOS-Mrs. Wehr reported that GWD will seek improvements to the “complete streets project” before the city commences a formal environmental review.
LITIGATION- Pacific Coast Federation of Fishermen Association v. Glaser
Mrs. Wehr reported that the court granted GWD’s motion to intervene and the parties filed a status report with the Court.

MERCED HYDROELECTRIC PROJECT RELICENSING- Mrs. Wehr reported that GWD will continue to support a condition that requires beneficial water deliveries from the Merced hydroelectric project to Merced National Wildlife Refuge.

AGENCY/ ORGANIZATION REPORTS

GEECe-Candace Sigmond reported that after filing the Proposition 64 grant funding Mr. Mark Smith, Smith Policy Group, went to several different individuals, Assembly member Adam Gray, Senator Cabañero, and Congressman Jim Costa for letters of support for submittal, this funding helps about sixteen-hundred extra students to be able to visit the learning center.

The Simmons family is going to donate owl pellets and the cooking oven to the GEECe educational center.

Los Banos Wildlife Area in field sixty-four the Xerces project created a butterfly garden with sixteen hundred new fingerling plants that are butterfly attractants.

Ducks Unlimited- Mr. Mark Biddlecomb, Director of Operations-Western Region, reported that he is stepping down and wanted to thank GWD for their great partnership over the years. Ric Ortega commended him on all the accomplishments he has made over the years and thanked him for his partnership and dedication to wetlands and waterfowl.

CDFW- Mr. Sean Allen reported that opening day of duck season was slow at the refuges over all, but was pleased with the COVID 19 procedures that were put in place for the safety of staff and hunters and complimented his staff in implementing a safe and smooth opening day. He also reported that because of the warm fall more water was used for the flood up, but the supply of water is good, and he will be mindful of the supply and is hoping for some rain to help.

Junior Pheasant Hunt-November 21 & 22, 2020. Happy to announce that it is full, 100 junior hunters have signed up.

UPCOMING EVENTS
Grassland Hunters Annual Meeting - TBD. Headquarters 200 W. Willmott Ave. Los Banos, California

ADJOURNMENT FOR CLOSED SESSION: 4:37 p.m.

CLOSED SESSION: No reportable actions taken in closed session

ADJOURNMENT FROM CLOSED SESSION: 4:58

GRASSLAND WATER DISTRICT

Pepper Snyder, President

Ricardo Ortega, Secretary