The meeting of the Board of Directors of the Grassland Water District (GWD) was called to order by GWD President Pepper Snyder Tuesday, July 13, 2021 at 3:00 p.m. at the GWD headquarters and by teleconference for public participation under Executive Order N-29-20 from Governor Newsom.

**GWD DIRECTORS PRESENT AT ROLL CALL:** Pepper Snyder, Bob Nardi, Fritz Reid, Jeff Kerry, Byron Hisey

**GWD DIRECTORS ABSENT AT ROLL CALL:** None

**STAFF PRESENT:** Ric Ortega, General Manager; Veronica Woodruff, Treasurer/Controller; Ken Swanson, P.E., District Engineer/Watermaster; Ellen Wehr, General Counsel; Becky Sisk, Scribe.

**GUESTS/ PARTNERS/ CONSULTANTS:** Mark Smith, Consultant, Smith Policy Group; Gary Harris; Kyle Beardsley, CWA; Mike Hoppe, CWA; Marc Engstrom, Ducks Unlimited.

**PUBLIC PARTICIPATION:** None

**CORRECTIONS OR ADDITIONS TO AGENDA:** President Snyder asked if there were any corrections or additions to the agenda in which Mr. Ortega responded that there were no corrections but wanted to provide a letter received from the Migratory Conservation Partnership regarding the need for critical early bird habitat for the fall migration.

**APPROVAL OF MINUTES GWD:** Moved by Director Hisey, seconded by Director Nardi, the motion passed unanimously to approve the minutes of the June 8, 2021 teleconference GWD Board Meeting. Each Director was asked to verbally respond with their vote in which each did.

**GWD PAYMENT OF BILLS:** A motion was made by Director Hisey, seconded by Director Reid and unanimously carried to pay the July 8, 2021 bills. Each Director was asked to verbally respond with their vote in which each did.


A motion was made by Director Hisey seconded by Director Nardi and unanimously carried to accept the financial report for July 13, 2021. Each Director was asked to verbally respond with their vote in which each did.
GWD RESOLUTION 2021-014-APPROVING GENERAL PROCUREMENT POLICY

Mr. Ortega explained that although Water Districts are generally exempt from the requirement to go to bid for goods and services, many agencies administering grants or other public funds desire that the recipient agency have in place a procurement policy establishing thresholds when an informal bidding and when a formal bidding process is warranted. The basic principles include that the policy is subject to the availability of funds and within the approved annual budget, that the “informal bidding procedure” will take place with contracts over $150,000 unless the funding source requires otherwise but can be exceeded in case of an emergency. For contracts under $150,000 the Grassland Water District will maintain a list of potential bidders that will be contracted with notices or request for estimates. The informal bidding process, requires notice on our website, and the receipt of 3 bids. Informal bidding is being proposed for up to $200,000 contracts for good, services, materials, equipment, and professional services. Construction projects estimated to be greater than $400,000 would trigger a formal bidding process. Formal bids would require advertising in a local paper or trade publication 10 days prior to the bid due date, a notice of intent to award a contract and the board would have to approve the award.

Mr. Ortega asked if there were any questions or discussion from the board or the public.

A motion was made by Director Hisey, seconded by Director Reid and unanimously carried to approve policy. Each Director was asked to verbally respond with their vote in which each did.

CONSTRUCTION AND OPERATIONS REPORTS

CVP WATER SUPPLY REPORT- Mr. Swanson reported that storage currently at Shasta is at 1.6 MAF with the average being 3.1 MAF so storage is at 53% of the 15 year average. Shasta’s precipitation to date is 23.52 inches with an average of 60.37 inches putting it at 39% of the average for rainfall. The inflow to date is 2.08 MAF with a 15 year average of 4.2 MAF making the percentage of season average 49%.

LOCAL CONDITIONS- Mr. Swanson reported that there was zero precipitation last month, to date its at 5.06 inches with the average being 10.04 inches so it is at fifty percent of average.

GWD WATER SUPPLY- Mr. Swanson reported that supply remains the same Level 2 Water allocation is at 75%, IL4 water allocation is at 34% with the overall supply at 63%.

GWD OPERATIONS- Mr. Swanson reported that currently there is 5 CFS ordered with Federal and State refuges at 6 CFS, contract water used last month was 111 AF, and contract water L2 exchanged was 1,096 AF, for a total GWD deliveries of 2,763 AF. Contract water remaining at the end of the month is at 104,170 AF and Allocated water is at 80,853 AF. There were eleven wells currently on with current groundwater pumping 40 CFS. Groundwater pumped last month was 2,194 AF with a majority going to brood ponds and to keep fresh water in the system.

NGWCWQCP- Mr. Swanson reported that Tesco came out to the recirc pump stations where troubleshooting found that new pressure switches are needed, a repair to flow meter and manhole in needed, and that they need to raise electrical components at all pump stations. The contractor is anticipated to be on site July/August to finish punch list and close out project.

GENERAL MANAGER’ S REPORT

MAINTENANCE REPORT- Mr. Ortega reported that maintenance field staff have been doing lots of mowing and spraying of the district conveyances. The crew is finishing up with the third round of spraying in the south. Most of the district has been mowed at least two times with many canals on their third round. GWD had Agricoters spray the Mud Slough corridor to facilitate drainage for habitat and flood control in inaccessible areas for our spray rigs. Construction projects are on schedule and tracking under budget. Field construction staff removed silt berms in the camp 13 ditch and the Gadwall ditches. They installed a coffer dam in LB Creek and at the head of the Walter ditch. They are starting a repair on the 5 box weirs which required
dewatering and the excavation of the pipes. Staff disked and restored the bank geometry of the Malia after the excavation project that was completed by Machado. Crew is currently excavating the Britto drain in the south grasslands. We are having trees removed near the Agatha 2 weir. Machado backhoe has excavated the eagle ditch and is currently excavating the Kesterson ditch.

Staff has also requested quotes and reviewing special financing programs for governmental agencies for the lease and or purchase of a new backhoe. Quotes were received from HOLT for a CAT 420 and from PAPE for a John Deere 410 under their respective special programs. CAT has a 5-year 500-hour lease for $1600/ month with an option to purchase after 5 years for $45K. John Deere has a 36 month 500-hour lease for $1900/month with an option to buy after 3 years for $65,000. A CAT 420 demo is in route which is the preference of the operators but is also slightly less expensive. GWD is leaning toward a lease vs a conventional purchase as the lease still gives us the option to get into a new unit and because the electronics are getting more and more complicated and costly to repair. After the lease term GWD can choose to keep the equipment or get into a new backhoe.

**CENTRAL VALLEY PROJECT OPERATIONS** - Mr. Ortega reported that only one unit is currently being utilized by both the State and Federal Water Projects to avoid having to cycle the pumps at both pumping stations. This will remain the case until the YUBA transfer water begins moving later this month. Although the SWRCB relaxed Delta outflow standards, inadequate releases from storage caused a salinity exceedance that will continue at least until the YUBA transfer water begins hitting the system. USBR still intends to borrow 130T from the State Water Project (SWP) to meet Ag demand. CVP and SWP operators are discussing the timing of payback for borrowed water from the SWP in San Luis Reservoir.

**WATER SUPPLY** - Mr. Ortega reported that the official allocation has not changed so GWD still intends to provide 1.5AF/Acre to total assessed acreage in the district. GWD is sitting in a slightly better situation than in 2014-15 where we issued a 1.3AF/Acre allocation. This is due in large to access to additional groundwater wells, the recirculation facilities and because GWD was shorted 35% of our level 2 in 2014 and 2015 instead of 25% this year. GWD is receiving requests for early water which will be assessed on a case-by-case basis to determine feasibility and water use efficiency but all landowners will, at least initially, only receive a 1.5AF/acre allocation beginning September 15. Realizing the importance of early water, flood up in a year like this has to be coordinated and strategic to provide and sustain the maximum wetland footprint with a finite amount of water. GWD is coordinating closely with the state and federal refuges on delivery schedules to reduce system losses but also with landowners to ensure some early habitat will be available for early migrants.

GWD received a letter from the Migratory Bird Conservation Partnership which includes the Nature conservancy, Audubon California and Point Blue Conservation Science. They are requesting the consideration of providing as much migratory bird early habitat as possible this year as they are experiencing severe habitat shortage this year within managed wetlands and irrigated agriculture due to the severe drought conditions.

Water Management staff has been developing a strategy to provide critical shorebird and early waterfowl habitat on clubs with either wells that can deliver habitat direct or clubs situated downstream of wells. Since the 1.5 AF/acre allocation was established based on a September 15th flood up, staff is proposing that ground water deliveries made prior, would not count against the clubs 1.5 AF/acre flood up allocation. The water tenders have surveyed and have a list of landowners that would like to provide early habitat and are now developing a plan based on the projected groundwater flow and the size of ponds to avoid green up or bringing on more habitat than their allocation can ultimately sustain.

**GROUNDWATER** - Mr. Ortega reported that GWD staff intends to continue to develop groundwater under the USBR Incremental Level 4 Acquisition Program so long as there is habitat demand and funding. GWD is coordinating with Reclamation and they have identified the funding for this additional early water.
WATER SUPPLY PROJECTS—Mr. Ortega reported that the Los Banos Creek Reservoir and Patterson ID pipeline community funded projects (aka earmarks) both of which will provide refuge water supply were some of the few reclamation projects being forwarded for $500,000 in appraisal and feasibility study funding. The Patterson project may be able to convey recaptured refuge water being returned to the San Joaquin River or acquisitions made on the east side by Reclamation without having to enter the Delta and move through the pumps. The Los Banos Creek Reservoir pipeline would allow for additional storage of refugee water tying into existing conveyance of San Luis water district.

GRANTS—Mr. Ortega reported that the Wildlife Conservation Board has selected the Grassland Conveyance Restoration and Enhancement Program and will provide $840,000 in improvements to the GWD conveyance over the next five years. These are priority projects that we would have had to cover in house so this is a great boost to our operating budgets in the coming years. Great job by staff but especially Mark Freitas and our consultant Reyn Akiona for getting this over the goal line.

Mr. Ortega reported that GWD and consultant Reyn Akiona with Valley Eco submitted a $160,000 Pollinator Habitat Restoration Proposal to the National Fish and Wildlife Foundation.

Mr. Ortega reported that he worked with Shawn Carmo to submit a new five-year $375,000 Financial Assistance Agreement Proposal from USBR for federal cost share of the Real Time Water Quality Monitoring Program currently being funded by DWR using Prop 84 funds through August of 2023. Although the annual request is less than the need once the DWR agreement sunsets, the funding would be available as early as October of 2021 and the head of planning has committed to finding other federal sources to make the program whole but these federal dollars will further stretch the state dollars.

OUTREACH—Mr. Ortega reported that he again testified in committee in support of the legislation to provide state cost share to begin to address subsidence along the delta Mendota canal, aqueduct, and Friant kern canal (SB 559) this time to the Assembly Water, Parks and Wildlife Committee. It passed unanimously out of committee but has a tough road ahead in the appropriation committee.

Last week Ellen, Mark and he had a good meeting with Serge Stanich the new Director of Environmental Services for the High-Speed Rail Authority. This was a follow up to a meeting that was had with Tom Richards the Chairman of the HSRA board. The Executive Director Boris Lipkin and Min Ming a HSR attorney also attended the meeting in Sacramento. They gave them an overview of the primary issues GWD have with the San Jose to Merced and requested that

1. Commitments, such as the 10,000 acres of conservation easements, made in the 2008 Programmatic EIR be reflected in the Project section EIR,
2. That the area analyzed and mitigated for in the project EIR be corrected to the GEA boundary
3. That the proposed enclosure be extended throughout the GEA boundary.

Mr. Ortega reported that he met with the Merced County Farm Bureau and with the California Farmland Trust on habitat encroachment and the need for Ag conservation easements around and in the GEA. He participated in a number of drought and climate resiliency round tables organized by governmental agencies, local representative and environmental NGO’s. Last week we also had a meeting with the Nature Conservancy exploring a concept that could provide a solution to financial hurdles at Reclamation for the gifting of water to refuges.

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

BUREAU OF RECLAMATION—Collections to the CVP Restoration Fund are low, but GWD still has assurances that refuge water supplies will be covered.
The new administration revoked its Solicitor’s Completeness memo from January 2021. Still no action on the proposed revised CVPIA financial guidelines.

**LITIGATION**—the three cases that GWD is involved in continue to move forward.

**LEGISLATION**—continuing to track proposed infrastructure and drought relief bills.

**HIGH SPEED RAIL**—Congressman Costa successfully included GWD’s amendments to the House Transportation Bill, which would advance mitigation for high-speed rail projects.

**SURFACE WATER**—The JPA formation agreement for the Los Vaqueros Reservoir project should be completed and ready for board approval in August to be able to take it to the Water Commission in hopes they will release the Proposition 1 money.

**GROUNDWATER**—Staff has outlined proposed parameters for Merced County’s new ministerial permit for wells that are approved by GSA under SGMA.

**WATER QUALITY**—The Regional Water Quality Control Board received positive feedback on its proposed Resolution to exempt managed wetlands from the Irrigated Lands Regulatory Program, and is preparing a comprehensive report. GWD is expecting the proposal to be approved in October sometime.

**ENCROACHMENTS**—Staff is preparing a letter to the City of Los Banos regarding its proposed General Plan Update, urban growth boundary, and land protection policies.

Director Snyder congratulated Mrs. Wehr in her appointment as the National Ducks Unlimited Board of Directors.

**POLICY & LEGISLATIVE REPORT**

**SMITH POLICY GROUP**—Mr. Smith reported that Governor Newsom asked residents of California to reduce their water use by fifteen percent. Newsom did expand the drought declaration to include nine additional counties.

**SP559**—GWD manager, Ric Ortega, testified in ASM Water Parks and Wildlife committee in support, the bill seems to be moving forward but has picked up some late opposition.

**LEGISLATION**—The State legislature will be on summer recess until August 16, 2021. The California Legislature and Governor have largely reached agreement on budget framework but is still debating the Drought relief packaging. The Senate version of the package which would include $100B to the WCB for Central Valley Wetlands which would include some investment in the Klamath as well. The High-Speed Rail funding is absent from this agreement.

The Senate is marking up a Water Bill that will include some provisions from Senator Feinstein that she has been working on. Funding for storage projects and conveyance continues to be a part of the bill. The House needs to act on water, it did act on transportation, and did agree to take an amendment related to advance mitigation, and some language was added in into the Stream Act as well.

Recall for the Governor Newsom will happen on September 14, 2021.

**AGENCY/ ORGANIZATION REPORTS**

**DUCKS UNLIMITED**—Matt Kaminski lost phone communication so Mr. Ortega provided that WCB awarded some funding for a number of projects that Matt coordinated with GWD, over $5M in funding for projects.

**CWA**—Kyle Beardsley, the new San Juaquin Regional Biologist, reported that he will be busy finishing twelve different projects this summer.

**CWA**—Mike Hoppe reported that fund raising dinners are starting to be scheduled for CWA, and they are seeing that summer camps for kids are starting up again.
A banding crew is in the Grasslands, and are being housed at Hollister Land and Cattle, this is their fourth season there. The Grassland has more water for banding opportunities than any where else in the state. Banding success has been on the slow side around 5-20 a day.

Mr. Hoppe wanted to thank GWD for their Klamath efforts which has brought attention to the problems at Klamath Basin.

DIRECTORS REPORT- none

Mr. Ortega reported that the intern Emma Hansen will be leaving GWD to return to college, he wanted to thank her for all her help and wished her well.

ADJOURNMENT- The meeting was adjourned at 4:31 p.m.

GRASSLAND WATER DISTRICT

Pepper Snyder, President

Ricardo Ortega, Secretary