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November 2018 NDWA Manager's Report

ADMINISTRATIVE ISSUES

Ad-Hoc Committee on Staff Benefits

On November 27th, agency staff participated in a conference call meeting with committee members, Directors Kuechler and van Loben Sels, to discuss employee benefits.

ACTION: Committee reviewed benefits provided by the Agency and requested additional information to be discussed at the next meeting scheduled in January.

Women in Water Conference – Manager attended a Women in Water conference which provided the opportunity to interact with other water agency executives about current water supply issues.

Rising Salinity Levels

The U.S. Bureau of Reclamation <u>announced</u> planned operation of the Delta Cross Channel to close gates to meet Rio Vista flow standards and open them Friday through Sunday for recreation. Reduced releases of water from both SWP and CVP reservoirs combined with a dry start to the new water year resulted in reduced flows necessary to repel salinity intrusion. MBK informed the Board Chairman and Manager that salinity levels were increasing at the Three Mile Slough (TMS) monitoring station and nearing exceedance of Contract water quality criteria.

ACTION: MBK emailed written notification to State Water Project operations staff of the rising EC and potential Contract violation at the TMS location, and followed up with a phone call. Precipitation from storms ended up increasing river flows and improving the water quality within the Contract criteria.

DELTA DOWNLOAD

Bay-Delta Plan Amendments Postponed

The State Water Resources Control Board were poised to adopt staff-recommended San Joaquin River Amendments (SJR) to the Bay-Delta Plan on November 7th, but <u>voted to continue</u> meeting so <u>progress</u> on voluntary agreements could be made. Adoption of the SJR amendments was <u>postponed</u> until December 12th based on a <u>joint letter</u> received from Governor Brown and Governor-elect Newsom. If adopted as proposed by staff, the filing of several <u>lawsuits</u> is expected to immediately follow.

SWP Contract Amendments to Finance WaterFix Released

A <u>Draft EIR</u> and <u>Appendices</u> for new amendments to the SWP water supply <u>contracts</u> was released on October 26th to allow DWR to recover certain costs associated with constructing WaterFix and to allow greater water management flexibility regarding transfers and exchanges. The deadline to submit written comments is 5:00 p.m., December 10, 2018.

In addition, the WaterFix Design and Construction Authority submitted a letter of interest for federal funding, but was <u>not selected</u> by the U.S. Environmental Protection Agency (EPA) to receive a low interest loan from the Water Infrastructure Finance and Innovation Act.

DSC WaterFix Consistency Appeals

DWR Director Karla Nemeth submitted letter to the Delta Stewardship Council requesting Supervisor Skip Thompson be <u>recused</u> as a decision-maker in the Waterfix consistency due to his "extensive public record of opposition to the California WaterFix Project. With three other Council members already recused, Supervisor Thompson's recusal would result in lack of quorum for the WaterFix hearing.

On November 8th DSC released a staff <u>draft Determination</u> concluding DWR has not provided sufficient evidence to support its findings of consistency for the WaterFix Project and <u>recommendation</u> that the Council sustain the appeals and <u>remand</u> the certification back to DWR for revision and resubmittal. The staff concluded there was no evidence that: 1) the WaterFix Project would be operated in a manner that meets Delta water quality standards; 2) DWR used best available science with regard to sea level rise; 3) DWR did not provide evidence that water contractors would reduce reliance on the Delta; and 4) DWR failed to demonstrate compatibility with local land use plans.

These staff findings and recommendations were presented at a two-day public workshop on November 15-16th followed by DWR and appellant presentations. Natural Resources Secretary John Laird and State Water Contractors sent letters to the Council disagreeing with the DSC staff recommendation to remand the WaterFix project back to DWR. Prior to public comments DSC Chairman Randy Fiorini said he agreed the certification submission was premature and recommended DWR withdraw the determination of consistency. The Council scheduled a vote on the consistency determination for December 20th, but DWR Director Nemeth sent a letter on December 7th withdrawing the certification of the WaterFix project. Now that certification is withdrawn, ex parte rules no longer apply, allowing DWR to have private discussions with Council members and staff about what is needed for consistency with the Delta Plan before resubmitting certification.

HCPs Files Consistency Certification

In mid-November the County of Sacramento filed a <u>certification</u> of consistency for the South Sacramento Habitat Conservation Plan (<u>SSHCP</u>) to obtain long-term regulatory certainty for implementation of development and infrastructure projects benefitting in the area while protecting open space, habitat and agriculture. Appeals of the certification must be filed within 30 days.

The Yolo Habitat Conservancy filed a <u>certification</u> of consistency for a <u>HCP</u> on November 20th that seeks to provide long-term regulatory certainty for existing agriculture and other land uses and future development needs in Yolo County in exchange for comprehensive conservation strategy for habitat and species. The HCP's strategy builds on other existing conservation efforts in the Plan Area: Yolo Bypass Wildlife Area; Cache Creek Resources Management Plan; Willow Slough Watershed Integrated Resources Management Plan; and Lower Putah Creek Coordinating Committee. Any appeals of the certification must be filed by December 20, 2018.

DSC Proposes Amendment of Delta Plan Mitigation

The Delta Stewardship Council released a Notice of <u>Proposed Rulemaking</u> to officially adopt regulations for Delta Plan Amendments adopted in April 2018 requiring all mitigation measures incorporated into the Delta Plan apply to all covered actions. The public is provided a 45-day comment period that ends on January 14, 2019, but will also have the opportunity to give comments in person at the Council's regular board meeting on January 24-25, 2019.

LEGISLATIVE UPDATE

Legislators Demand Information Regarding Confidential Delta Negotiations

Delta legislators sent a letter to Governor Brown demanding information regarding confidential meetings between his Administration and President Trump's regarding future of the WaterFix project and the coordinated operations of SWP and CVP. The Legislators referenced recent Metropolitan Water District committee meetings that mention these private meetings and expressed concern with negotiation of an agreement without the input of Delta elected officials and communities.

Election Day Winners and Losers

Lt. Governor Gavin Newsom and former mayor of San Francisco was <u>elected</u> to <u>replace</u> Jerry Brown as Governor. Post-election speculation swirled that WaterFix project may be <u>circling the drain</u> with Governor Brown being replaced by Gavin Newsom and the loss of seniority in California's Congressional delegation due to retirements and defeat of incumbents.

On a 52%-48% margin, California voters <u>defeated</u> the \$9 billion water bond, Proposition 3. This defeat is significant because voters have not rejected a water bond since 1990 and have approved nine water bonds since that time.

Federal Agencies Commit to Expediting Delivery of Water

The Secretaries of Commerce and Interior signed a Memorandum of Understanding guiding how they will coordinate the quick and <u>efficient implementation</u> of the Presidential Memorandum on Promoting the Reliable Supply and Delivery of Water in the West. The MOU between agencies designates Mr. Paul Souza, Regional Director for the Pacific Southwest Region of the U.S. Fish and Wildlife Service to be in charge of managing both the Klamath Irrigation and Central Valley Project's compliance with President's Memorandum.

NEWSWORTHY ITEMS

DWR Announces Initial Water Allocation

The water year has been fairly dry so far and some of the large reservoirs are below average. Lake Oroville, the SWP's largest reservoir is at 29% capacity and 48% of average for this time of year. As a result, DWR announced the <u>initial water allocation</u> for the State Water Project (SWP) contractor is 10% for the 2019 calendar year.

Environmental Flows Workgroup Formed

The California Water Quality Monitoring <u>Council</u>, established by <u>SB 1070</u> in 2007, formed an Environmental <u>Flows Workgroup</u> that will focus on understanding environmental flow needs and establishing ecological flow criteria grounded in science.

Bureau Announces Acting Director for Mid-Pacific Region

The Commissioner of the U.S. Bureau of Reclamation announced the <u>appointment</u> of Michael Ryan as the Acting Director of the Mid-Pacific.

CALENDAR EVENTS

- Dec 10 Deadline to comment on SWP Amdts for financing WaterFix Project
- Dec 11 Groundwater Basin Boundary mtg, 1416-9th St Auditorium, Sacramento, 1:00 pm
- Dec 12 SWRCB Vote on Bay-Delta Plan Admt, CalEPA, Sacramento, 9:30 am
- Dec 14 Deadline to file appeal with DSC on So. Sacramento HCP Certification of Consistency
- Dec 20 DSC meeting, 980-9th St, Sacramento, 9:00 am
- Dec 20 Deadline to file appeal with DSC on Yolo County HCP Certification of Consistency
- Jan 14 Deadline to submit written comment on Delta Plan Amdts regulations