

**Minutes of Wednesday, June 7, 2023**  
**North Delta Water Agency Board of Directors Meeting**  
3050 Beacon Blvd Ste 203, West Sacramento, CA

**Call to Order**

Chairman Mello called the board of directors meeting to order at 9:31 a.m. on Wednesday, June 7, 2023. Pursuant to Government Code section 54953(b)(3), Directors Jack Kuechler and Justin van Loben Sels attended remotely via publicly accessible teleconference locations identified on the agenda. A quorum was determined at that time. Those present:

Directors

Steve Mello, Division 1  
Justin van Loben Sels, Division 2  
Jack Kuechler, Division 3  
Tom Slater, Division 5

Staff

Melinda Terry, Manager  
Cindy Tiffany, Assistant Manager  
Kevin O'Brien, Downey Brand  
Austin Cho, Downey Brand  
Anne Williams, MBK Engineers  
Gary Kienlen, MBK Engineers  
Yuen Lenh, MBK Engineers  
Chris Connor, MBK Engineers

Others

Bruce Blodgett  
Gilbert Cosio

Lisa Crowley

**Closed Session**

The board adjourned into closed session at 9:32 a.m. with legal counsel to discuss the following four items:

- i. Litigation regarding WaterFix Environmental Impact Report under CEQA. (Gov. Code 54956.9(d)(1))
- ii. Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9 (three cases)

The board reconvened in open session at 11:05 a.m. and Chairman Mello announced there was no reportable action taken in Closed Session.

**Approval of Minutes**

April 5, 2023 minutes presented for approval. MBK requested a few minor wording edits in the Engineering Report section.

**MOTION** by Director Slater to approve the April 5, 2023, Minutes as amended. Seconded by Director Mello and approved by a roll call vote. (AYES: Mello, J. van Loben Sels, and Slater ABSTAIN: Kuechler ABSENT: M. van Loben Sels)

**Director Elections**

This is an election year for Divisions 2 and 4; Mark Van Loben Sels and Justin Van Loben Sels. If no challenger files to be a candidate, then incumbents will be appointed by the county in lieu of an election. Cindy Tiffany presented a resolution calling for an election on November 14, 2023.

**MOTION** by Director Mello to approve Resolution No. 2023-05 calling for an election for Divisions 2 and 4 on November 14, 2023. Seconded by Director Kuechler and approved by a roll call vote. (AYES: Mello, Kuechler, J. van Loben Sels, and Slater ABSENT: M. van Loben Sels)

### **Financial Statements**

Cindy presented the financial statements and answered questions about duplicate payments in May. Earning higher interest in bank accounts, so she will be transferring more funds to LAIF in late June. Over-budget on current engineering and legal expenses, but was previously discussed and therefore expected.

### **Approval of Annual Budget for Fiscal Year 2023-24**

Cindy presented the proposed fiscal year 2023-24 NDWA budget with total expenditures of \$1,364,414.35 and approximately \$400,000 into reserves. She also handed out a document disclosing employee compensation as required by CalPERS. No changes were made to the proposed budget.

**MOTION** by Director Slater to approve the 2023-24 NDWA budget as presented. Seconded by Director Mello and approved by a roll call vote. (AYES: Mello, Kuechler, J. van Loben Sels, and Slater ABSENT: M. van Loben Sels)

### **Adoption of the Fiscal Year 2022-23 Assessment Rate**

Cindy provided a document showing annual assessment revenues and a projection of annual contract payments to DWR through year 2060. She pointed out that contract payments will exceed the assessment revenues by 2032. The current Board policy is to build a \$6 million in reserve in order to keep up with the increasing Contract payments and annual expenses. The current amount in reserves is about \$2.9 million. In accordance with Agency assessment policies, the maximum amount the assessment rates can be increased is either 3% or the annual change in Consumer Price Index, whichever is higher. Cindy provided MBK's estimated calculations on the CPI if it remains at 3.56%. It was noted that the final CPI is determined by the June Consumer Price Index, which is not out until July of 2023. After discussion, the board agreed to increase all assessment rate categories to the maximum allowed, including the minimum per parcel rate. Estimated rate is \$4.56 per acre and \$11.84 for minimal parcel rate.

**MOTION** by Director Mello to adopt resolution #2023-04 authorizing the increase of annual assessment rates for all categories to the maximum allowed, 3% or annual change in CPI, whichever is greater. Seconded by Director Slater and approved by a roll call vote. (AYES: Mello, Kuechler, J. van Loben Sels, and Slater ABSENT: M. van Loben Sels)

**MOTION** by Director Slater to approve Resolution #2023-06 governing the collection of NDWA assessments by Yolo County. Seconded by Director Kuechler and approved by a roll call vote. (AYES: Mello, Kuechler, J. van Loben Sels, and Slater ABSENT: M. van Loben Sels)

### **Manager Report**

#### *Report on Meetings, Presentations, and Correspondence*

The ad-hoc committee and staff continue to meet regularly with DWR to discuss water quality exceedances that occurred in 2022. Staff attended a presentation on Sites Reservoir operational effects in the Delta presented by project consultants. NDWA representatives asked questions about flows, dam operations, and Delta water quality. The consultants promised to send modeling results for the Agency's review.

#### *Succession Planning*

Melinda reported she will be scheduling a joint meeting of CCVFCA and NDWA board representatives to discuss her replacement upon retirement. Director Slater and Director Kuechler will participate on behalf of

NDWA to identify qualifications each agency would like to see in a new Manager and to assist in the hiring process.

## **Delta Activities Report**

### *SWRCB/Delta Watermaster*

Lisa Crowley reported that as of May 31<sup>st</sup>, 70% of annual water use reports for water year 2022 are in, including data compiled in the Delta Alternative Compliance Plan. Reporting deadline was extended to June 15th because a technological glitch with the state's platform for collecting this data. She also reported the SWRCB held a public outreach meeting on May 19<sup>th</sup> and is hosting an environmental justice listening session tonight regarding the Bay Delta Plan Update.

### *Delta Habitat Projects*

DWR filed a certification of consistency with the Delta Stewardship Council for the Prospect Island project and also released a recirculated Draft EIR out for Lookout Slough restoration project.

### *Delta Conveyance Project*

DWR is still working on the Geotech drilling for the DCP and added new web pages on the tunnel project website.

### *State Water Project*

The State Auditor's office recently released a report on the SWP. In their conclusions, they found that DWR is overestimating the water supply and failing to maintain adequate records and documentation of water releases from Oroville Reservoir.

### *Delta Conservancy*

The Delta Conservancy released the final report disclosing the water conservation results of last year's Delta Drought Response Pilot Program, and posted it on their website.

### *Delta Protection Commission*

Bruce Blodgett reported the DPC recently hired a new public information officer. The DPC is also moving forward with the National Heritage Area Management Plan and will be installing new Delta signage this week on Jefferson Blvd. The Commission recently received an award for government innovation from the American Society in recognition of the DPC's Leadership Program. He also expressed concern over recent budget trailer bill language that would allow the DSC to lower the quorum necessary in conducting business, including rendering decisions on appeals of consistency certifications filed for projects such as the Delta Conveyance Project.

### *Delta Stewardship Council*

Gilbert Cosio reported the Delta Adapts effort releases scenarios that put prices on levee improvements and habitat cost. Comments are due in a week. Director Slater commented that input from farmers has been minimal, and expressed concern with the DSC making regulatory land use decisions on privately owned lands.

## **Engineering Report**

### *Water Quality and Hydrologic Conditions Update*

Yuen provided a slide presentation on water quality conditions. Currently the 14-day mean is well within the NDWA Contract criteria at all seven monitoring locations. DCC Gates are closed and will remain closed until further notice. She noted that the Northern Sierra Precipitation 8-Station Index is 122% of average. All major reservoirs are full; Shasta, Oroville, and Folsom are all currently releasing water. There are some highwater concerns for the San Joaquin system and south/central California area. Currently allocations for SWP

contractors, CVP contractors, Sacramento River Settlement Contractors, and Feather River Diversion Agreement holders are at 100%. Gilbert commented that weekly flood operations have been happening for the San Joaquin Systems, watching for higher spring tides.

#### *Contract Payment Calculation Update*

Chris Connor of MBK gave an update on the status of recent staff discussions with DWR on resolving the acreage differences NDWA and DWR have for calculating the annual Contract payment. We have resolved acreage owned by DWR in Solano, Yolo and San Joaquin Counties. The last county the group is working through is Sacramento County, which has a smaller acreage difference; but many more parcels to review. The biggest areas of difference are located on Sherman and Twitchell Islands. We continue to meet monthly to clean up more of these differences. The intent is to then memorialize the current acreage owned by DWR through adoption of a resolution that also clarifies how calculation should be done each year, as well as how to update acreage annually.

#### *Drought Claims Procedure*

Pat Neu of MBK reported on behalf of a few landowners that there have been payment delays by DWR in the Special Claims process, and multiple requests for additional information beyond what was identified in the application form. Manager recommended having legal counsel draft a letter for her to send to DWR inquiring about the reason for these delays in paying out claims to landowners.

### **Legal Report**

#### *Delta Water Quality Control Plan Update*

Austin Cho reported that there is likely to be a staff report in June or July for the Sacramento River watershed released to the SWRCB on the Delta Water Quality Plan Update. NDWA submitted scoping comments in February, but will have opportunities for additional comments when SWRCB releases SED.

#### *Sites Reservoir*

The Site Reservoir Authority filed a water rights application with the SWRCB, which triggers a hearing process and a deadline to file a protest within 60 days. Austin explained the application notice and protest process. After some discussion, the Board directed staff to submit a letter requesting a 60-day extension to allow the Agency more time to determine if it will submit a protest and identify potential terms and conditions.

### **Legislative Report**

#### *Website Requirements*

AB 1637 proposes to require local agencies to convert their websites to a ca.gov or .gov. The intent to ensure government sites have higher level of cyber security.

#### *Water Rights Modifications*

Several water rights bills are progressing through the State Legislature – AB 460, AB 1337, and SB 389. These bills could alter the existing rights of landowners in the Delta. Melinda will reach out to Bob Reeb on the cost of writing a memo on the contents of these bills for the board's review.

#### *Budget Trailer Bill*

One of the Governor's budget trailer bills proposes to expedite construction of the Delta Conveyance Project and Sites Reservoir along with a handful of other projects by reducing some CEQA court challenge opportunities. A coalition of environmental, social justice, and Delta NGOs are actively lobbying to remove this language from the trailer bill.

**Public Comments**

Gilbert Cosio reported that DWR just completed the Geotech drilling on Grand Island for the North Delta drought barriers. DWR is out of funding for this project, so EIR and other activities are on hold. Manager will invite Jacob McQuirk of DWR to make a presentation at the August board meeting to provide an update on status of the North Delta drought barriers.

**Adjournment**

Chairman Mello adjourned the meeting at 1:02 p.m.

Respectfully submitted by Cindy Tiffany, Assistant Manager

**NORTH DELTA WATER AGENCY**  
**Profit & Loss Prev Year Comparison EXHIBIT B**  
July 2022 through June 2023

|   | Jul '22 - Jun 23    | Jul '21 - Jun 22    | \$ Change         |
|---|---------------------|---------------------|-------------------|
| <b>Ordinary Income/Expense</b>          |                     |                     |                   |
| <b>Income</b>                           |                     |                     |                   |
| <b>4000 · Sacramento County</b>         |                     |                     |                   |
| 4010 · Assessments                      | 368,776.21          | 344,206.03          | 24,570.18         |
| 4020 · Direct Billing                   | 28,796.20           | 25,472.38           | 3,323.82          |
| 4030 · Handling Charges                 | -925.39             | -1,209.70           | 284.31            |
| 4040 · Interest                         | 595.00              | 206.00              | 389.00            |
| <b>Total 4000 · Sacramento County</b>   | <u>397,242.02</u>   | <u>368,674.71</u>   | <u>28,567.31</u>  |
| <b>4100 · San Joaquin County</b>        |                     |                     |                   |
| 4110 · Assessments                      | 97,234.22           | 90,601.92           | 6,632.30          |
| 4120 · Direct Billing                   | 437.65              | 385.00              | 52.65             |
| 4130 · Handling Charges                 | -972.01             | -906.02             | -65.99            |
| 4140 · Interest                         | 0.00                | 55.00               | -55.00            |
| <b>Total 4100 · San Joaquin County</b>  | <u>96,699.86</u>    | <u>90,135.90</u>    | <u>6,563.96</u>   |
| <b>4200 · Solano County</b>             |                     |                     |                   |
| 4210 · Assessments                      | 456,452.87          | 424,576.87          | 31,876.00         |
| 4220 · Direct Billing                   | 17,681.06           | 7,313.04            | 10,368.02         |
| 4230 · Handling Charges                 | -4,565.21           | -4,246.40           | -318.81           |
| <b>Total 4200 · Solano County</b>       | <u>469,568.72</u>   | <u>427,643.51</u>   | <u>41,925.21</u>  |
| <b>4300 · Yolo County</b>               |                     |                     |                   |
| 4310 · Assessments                      | 510,853.77          | 474,619.02          | 36,234.75         |
| 4320 · Direct Billing                   | 15,331.70           | 14,208.90           | 1,122.80          |
| 4330 · Handling Charges                 | -13,300.43          | -12,960.42          | -340.01           |
| 4340 · Interest                         | 0.00                | 237.94              | -237.94           |
| <b>Total 4300 · Yolo County</b>         | <u>512,885.04</u>   | <u>476,105.44</u>   | <u>36,779.60</u>  |
| <b>4400 · State of California</b>       |                     |                     |                   |
| 4410 · Solano                           | 23,595.68           | 21,944.52           | 1,651.16          |
| 4420 · Sacramento                       | 33,328.55           | 426.42              | 32,902.13         |
| 4430 · Yolo                             | 170,497.72          | 158,636.92          | 11,860.80         |
| <b>Total 4400 · State of California</b> | <u>227,421.95</u>   | <u>181,007.86</u>   | <u>46,414.09</u>  |
| 7000 · Interest                         | 35,408.42           | 4,363.03            | 31,045.39         |
| 7200 · Assessment Interest/Penalty      | 480.73              | 1.21                | 479.52            |
| 7300 · Miscellaneous Income             | 100.00              | 0.00                | 100.00            |
| <b>Total Income</b>                     | <u>1,739,806.74</u> | <u>1,547,931.66</u> | <u>191,875.08</u> |
| <b>Gross Profit</b>                     | 1,739,806.74        | 1,547,931.66        | 191,875.08        |
| <b>Expense</b>                          |                     |                     |                   |
| Reconciliation Discrepancies            | -1.00               | 1.37                | -2.37             |
| 6000 · DWR CONTRACT                     | 755,523.08          | 765,292.77          | -9,769.69         |
| 6100 · PAYROLL                          |                     |                     |                   |
| 6150 · Labor/Staff Salary               |                     |                     |                   |
| 6151 · Taxes - Employer Share           | 9,366.11            | 9,320.45            | 45.66             |
| 6150 · Labor/Staff Salary - Other       | 116,293.08          | 114,709.33          | 1,583.75          |
| <b>Total 6150 · Labor/Staff Salary</b>  | <u>125,659.19</u>   | <u>124,029.78</u>   | <u>1,629.41</u>   |
| 6180 · Employee Benefit Expense         |                     |                     |                   |
| 6181 · Benefits - Retirement            | 9,588.60            | 8,049.20            | 1,539.40          |
| 6182 · Benefits-Unfunded Liability PER  | 7,307.00            | 6,557.00            | 750.00            |
| 6183 · Benefit - Health Insurance       | 8,815.68            | 8,824.00            | -8.32             |
| 6184 · Benefit - Dental Insurance       | 554.76              | 508.53              | 46.23             |

**NORTH DELTA WATER AGENCY**  
**Profit & Loss Prev Year Comparison EXHIBIT B**  
**July 2022 through June 2023**

|  | <u>Jul '22 - Jun 23</u> | <u>Jul '21 - Jun 22</u> | <u>\$ Change</u>  |
|--|-------------------------|-------------------------|-------------------|
| 6185 · Benefit - Life Insurance              | 358.00                  | 286.50                  | 71.50             |
| 6186 · Benefit - Vision Insurance            | 140.40                  | 128.70                  | 11.70             |
| <b>Total 6180 · Employee Benefit Expense</b> | <u>26,764.44</u>        | <u>24,353.93</u>        | <u>2,410.51</u>   |
| <b>Total 6100 · PAYROLL</b>                  | 152,423.63              | 148,383.71              | 4,039.92          |
| <b>6200 · OFFICE EXPENSE</b>                 |                         |                         |                   |
| 6205 · Service Agreement                     | 12,541.94               | 13,008.05               | -466.11           |
| 6210 · GASB 68 (PERS)                        | 700.00                  | 700.00                  | 0.00              |
| 6215 · Office Supplies                       | 175.84                  | 5,697.54                | -5,521.70         |
| 6220 · Computer/Software                     | 4,159.06                | 1,423.64                | 2,735.42          |
| 6230 · Printing/Graphic Design               | 0.00                    | 545.58                  | -545.58           |
| 6240 · Cell Phone                            | 420.00                  | 455.00                  | -35.00            |
| 6250 · Meeting Expense                       | 1,514.75                | 1,669.45                | -154.70           |
| 6260 · Director Fee                          | 5,300.00                | 7,384.71                | -2,084.71         |
| 6265 · Director Election                     | 0.00                    | 353.20                  | -353.20           |
| 6270 · Manager Travel/Parking                | 39.50                   | 4.00                    | 35.50             |
| 6275 · Manager Meal/Entertainment            | 189.93                  | 16.25                   | 173.68            |
| 6280 · Manager Misc. Expense                 | 175.20                  | 30.00                   | 145.20            |
| <b>Total 6200 · OFFICE EXPENSE</b>           | <u>25,216.22</u>        | <u>31,287.42</u>        | <u>-6,071.20</u>  |
| <b>6300 · Other Expenses</b>                 |                         |                         |                   |
| 6350 · Bank Charge                           | 75.00                   | 91.99                   | -16.99            |
| 6400 · Contributions & Subs                  | 1,250.00                | 1,250.00                | 0.00              |
| 6600 · Membership Dues                       | 6,432.00                | 6,184.00                | 248.00            |
| <b>Total 6300 · Other Expenses</b>           | <u>7,757.00</u>         | <u>7,525.99</u>         | <u>231.01</u>     |
| <b>6700 · INSURANCE</b>                      |                         |                         |                   |
| 6710 · Insurance - Liability                 | 6,821.38                | 6,132.00                | 689.38            |
| 6720 · Insurance-Workers Comp.               | 591.21                  | 858.34                  | -267.13           |
| <b>Total 6700 · INSURANCE</b>                | <u>7,412.59</u>         | <u>6,990.34</u>         | <u>422.25</u>     |
| <b>6800 · Consulting Expense</b>             |                         |                         |                   |
| 6810 · Audit                                 | 0.00                    | 6,965.00                | -6,965.00         |
| 6850 · General/Accounting                    | 400.00                  | 0.00                    | 400.00            |
| 6900 · Engineering                           |                         |                         |                   |
| 6901 · Eng. - General                        | 80,267.25               | 111,406.00              | -31,138.75        |
| 6905 · Eng.-BDCP/Waterfix/DCP                | 11,806.13               | 0.00                    | 11,806.13         |
| 6910 · Eng.-Assessments                      | 34,617.75               | 20,000.34               | 14,617.41         |
| 6912 · Eng.- Delta WQCP Update               | 5,419.00                | 0.00                    | 5,419.00          |
| 6920 · Eng.- Barriers                        | 1,705.50                | 4,927.00                | -3,221.50         |
| <b>Total 6900 · Engineering</b>              | <u>133,815.63</u>       | <u>136,333.34</u>       | <u>-2,517.71</u>  |
| 6950 · Legal Service                         |                         |                         |                   |
| 6951 · Legal-General                         | 195,082.06              | 27,030.00               | 168,052.06        |
| 6955 · Legal-BDCP/Waterfix/DCP               | 30,315.73               | 0.00                    | 30,315.73         |
| 6956 · Legal-CA Waterfix CEQA                | 52,673.83               | 41,160.98               | 11,512.85         |
| 6957 · Legal - COA                           | 3,028.00                | 4,732.80                | -1,704.80         |
| <b>Total 6950 · Legal Service</b>            | <u>281,099.62</u>       | <u>72,923.78</u>        | <u>208,175.84</u> |
| <b>Total 6800 · Consulting Expense</b>       | <u>415,315.25</u>       | <u>216,222.12</u>       | <u>199,093.13</u> |
| <b>Total Expense</b>                         | <u>1,363,646.77</u>     | <u>1,175,703.72</u>     | <u>187,943.05</u> |
| <b>Net Ordinary Income</b>                   | <u>376,159.97</u>       | <u>372,227.94</u>       | <u>3,932.03</u>   |

**NORTH DELTA WATER AGENCY**  
**Profit & Loss Prev Year Comparison EXHIBIT B**  
July 2022 through June 2023

---

|                   | <u>Jul '22 - Jun 23</u> | <u>Jul '21 - Jun 22</u> | <u>\$ Change</u> |
|-------------------|-------------------------|-------------------------|------------------|
| <b>Net Income</b> | <u>376,159.97</u>       | <u>372,227.94</u>       | <u>3,932.03</u>  |



**NORTH DELTA WATER AGENCY**  
Balance Sheet Prev Year Comparison Exhibit C

|  | Jun 30, 23                 | Jun 30, 22                 | \$ Change                |
|--|----------------------------|----------------------------|--------------------------|
| <b>ASSETS</b>                          |                            |                            |                          |
| <b>Current Assets</b>                  |                            |                            |                          |
| <b>Checking/Savings</b>                |                            |                            |                          |
| LAIF                                   | 2,626,464.45               | 2,041,064.96               | 585,399.49               |
| NDWA Checking - First Northern         | 339,325.04                 | 468,216.92                 | -128,891.88              |
| NORTH DELTA WA-- F&M Bank              | 35,641.36                  | 115,989.00                 | -80,347.64               |
| <b>Total Checking/Savings</b>          | <b>3,001,430.85</b>        | <b>2,625,270.88</b>        | <b>376,159.97</b>        |
| <b>Accounts Receivable</b>             |                            |                            |                          |
| Accounts Receivable                    | -42,508.59                 | -42,508.59                 | 0.00                     |
| <b>Total Accounts Receivable</b>       | <b>-42,508.59</b>          | <b>-42,508.59</b>          | <b>0.00</b>              |
| <b>Other Current Assets</b>            |                            |                            |                          |
| Assessments Receivable                 | 32,562.16                  | 32,562.16                  | 0.00                     |
| Interest Receivable                    | 1,234.30                   | 1,234.30                   | 0.00                     |
| Prepaid Expenses                       | 1,515.00                   | 1,515.00                   | 0.00                     |
| <b>Total Other Current Assets</b>      | <b>35,311.46</b>           | <b>35,311.46</b>           | <b>0.00</b>              |
| <b>Total Current Assets</b>            | <b>2,994,233.72</b>        | <b>2,618,073.75</b>        | <b>376,159.97</b>        |
| <b>Fixed Assets</b>                    |                            |                            |                          |
| Accum Depr - Equipment                 | -1,015.19                  | -1,015.19                  | 0.00                     |
| Equipment                              | 1,015.19                   | 1,015.19                   | 0.00                     |
| <b>Total Fixed Assets</b>              | <b>0.00</b>                | <b>0.00</b>                | <b>0.00</b>              |
| <b>TOTAL ASSETS</b>                    | <b><u>2,994,233.72</u></b> | <b><u>2,618,073.75</u></b> | <b><u>376,159.97</u></b> |
| <b>LIABILITIES &amp; EQUITY</b>        |                            |                            |                          |
| <b>Liabilities</b>                     |                            |                            |                          |
| <b>Current Liabilities</b>             |                            |                            |                          |
| <b>Accounts Payable</b>                |                            |                            |                          |
| Accounts Payable                       | 10,517.00                  | 10,517.00                  | 0.00                     |
| <b>Total Accounts Payable</b>          | <b>10,517.00</b>           | <b>10,517.00</b>           | <b>0.00</b>              |
| <b>Other Current Liabilities</b>       |                            |                            |                          |
| Accrued Vacation                       | 8,936.00                   | 8,936.00                   | 0.00                     |
| Payroll Liabilities                    | 6,001.68                   | 6,001.68                   | 0.00                     |
| <b>Total Other Current Liabilities</b> | <b>14,937.68</b>           | <b>14,937.68</b>           | <b>0.00</b>              |
| <b>Total Current Liabilities</b>       | <b>25,454.68</b>           | <b>25,454.68</b>           | <b>0.00</b>              |
| <b>Total Liabilities</b>               | <b>25,454.68</b>           | <b>25,454.68</b>           | <b>0.00</b>              |
| <b>Equity</b>                          |                            |                            |                          |
| Retained Earnings                      | 2,592,619.07               | 2,220,391.13               | 372,227.94               |
| Net Income                             | 376,159.97                 | 372,227.94                 | 3,932.03                 |
| <b>Total Equity</b>                    | <b>2,968,779.04</b>        | <b>2,592,619.07</b>        | <b>376,159.97</b>        |

---

|                                       | <u>Jun 30, 23</u>          | <u>Jun 30, 22</u>          | <u>\$ Change</u>         |
|---------------------------------------|----------------------------|----------------------------|--------------------------|
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b><u>2,994,233.72</u></b> | <b><u>2,618,073.75</u></b> | <b><u>376,159.97</u></b> |

**NORTH DELTA WATER AGENCY**  
**Profit & Loss Budget vs. Actual Exhibit "D"**

Cash Basis

July 2022 through June 2023

|   | Jul '22 - Jun 23    | Budget              | \$ Over Budget     |
|---|---------------------|---------------------|--------------------|
| <b>Ordinary Income/Expense</b>          |                     |                     |                    |
| <b>Income</b>                           |                     |                     |                    |
| <b>4000 · Sacramento County</b>         |                     |                     |                    |
| 4010 · Assessments                      | 368,776.21          | 440,015.80          | -71,239.59         |
| 4020 · Direct Billing                   | 28,796.20           |                     |                    |
| 4030 · Handling Charges                 | -925.39             | -2,600.00           | 1,674.61           |
| 4040 · Interest                         | 595.00              |                     |                    |
| <b>Total 4000 · Sacramento County</b>   | <u>397,242.02</u>   | <u>437,415.80</u>   | <u>-40,173.78</u>  |
| <b>4100 · San Joaquin County</b>        |                     |                     |                    |
| 4110 · Assessments                      | 97,234.22           | 97,888.68           | -654.46            |
| 4120 · Direct Billing                   | 437.65              |                     |                    |
| 4130 · Handling Charges                 | -972.01             | -1,000.00           | 27.99              |
| <b>Total 4100 · San Joaquin County</b>  | <u>96,699.86</u>    | <u>96,888.68</u>    | <u>-188.82</u>     |
| <b>4200 · Solano County</b>             |                     |                     |                    |
| 4210 · Assessments                      | 456,452.87          | 505,338.48          | -48,885.61         |
| 4220 · Direct Billing                   | 17,681.06           |                     |                    |
| 4230 · Handling Charges                 | -4,565.21           | -4,622.50           | 57.29              |
| <b>Total 4200 · Solano County</b>       | <u>469,568.72</u>   | <u>500,715.98</u>   | <u>-31,147.26</u>  |
| <b>4300 · Yolo County</b>               |                     |                     |                    |
| 4310 · Assessments                      | 510,853.77          | 704,358.78          | -193,505.01        |
| 4320 · Direct Billing                   | 15,331.70           |                     |                    |
| 4330 · Handling Charges                 | -13,300.43          | -15,000.00          | 1,699.57           |
| <b>Total 4300 · Yolo County</b>         | <u>512,885.04</u>   | <u>689,358.78</u>   | <u>-176,473.74</u> |
| <b>4400 · State of California</b>       |                     |                     |                    |
| 4410 · Solano                           | 23,595.68           |                     |                    |
| 4420 · Sacramento                       | 33,328.55           |                     |                    |
| 4430 · Yolo                             | 170,497.72          |                     |                    |
| <b>Total 4400 · State of California</b> | <u>227,421.95</u>   |                     |                    |
| 7000 · Interest                         | 35,408.42           | 5,500.00            | 29,908.42          |
| 7200 · Assessment Interest/Penalty      | 480.73              |                     |                    |
| 7300 · Miscellaneous Income             | 100.00              |                     |                    |
| <b>Total Income</b>                     | <u>1,739,806.74</u> | <u>1,729,879.24</u> | <u>9,927.50</u>    |
| <b>Gross Profit</b>                     | <u>1,739,806.74</u> | <u>1,729,879.24</u> | <u>9,927.50</u>    |
| <b>Expense</b>                          |                     |                     |                    |
| Reconciliation Discrepancies            | -1.00               |                     |                    |
| 6000 · DWR CONTRACT                     | 755,523.08          | 771,235.00          | -15,711.92         |
| 6100 · PAYROLL                          |                     |                     |                    |
| 6150 · Labor/Staff Salary               |                     |                     |                    |
| 6151 · Taxes - Employer Share           | 9,366.11            | 9,316.31            | 49.80              |
| 6150 · Labor/Staff Salary - Other       | 116,293.08          | 116,215.00          | 78.08              |
| <b>Total 6150 · Labor/Staff Salary</b>  | <u>125,659.19</u>   | <u>125,531.31</u>   | <u>127.88</u>      |
| 6180 · Employee Benefit Expense         |                     |                     |                    |
| 6181 · Benefits - Retirement            | 9,588.60            | 8,751.69            | 836.91             |
| 6182 · Benefits-Unfunded Liability P... | 7,307.00            | 7,540.55            | -233.55            |
| 6183 · Benefit - Health Insurance       | 8,815.68            | 10,572.23           | -1,756.55          |
| 6184 · Benefit - Dental Insurance       | 554.76              | 650.00              | -95.24             |
| 6185 · Benefit - Life Insurance         | 358.00              | 312.00              | 46.00              |
| 6186 · Benefit - Vision Insurance       | 140.40              | 141.00              | -0.60              |

|  | <b>Jul '22 - Jun 23</b> | <b>Budget</b>     | <b>\$ Over Budget</b> |
|--|-------------------------|-------------------|-----------------------|
| <b>Total 6180 · Employee Benefit Expense</b> | <u>26,764.44</u>        | <u>27,967.47</u>  | <u>-1,203.03</u>      |
| <b>Total 6100 · PAYROLL</b>                  | 152,423.63              | 153,498.78        | -1,075.15             |
| <b>6200 · OFFICE EXPENSE</b>                 |                         |                   |                       |
| 6201 · Office Rental Deposit                 | 0.00                    | 0.00              | 0.00                  |
| 6205 · Service Agreement                     | 12,541.94               | 10,000.00         | 2,541.94              |
| 6210 · GASB 68 (PERS)                        | 700.00                  | 800.00            | -100.00               |
| 6215 · Office Supplies                       | 175.84                  | 1,000.00          | -824.16               |
| 6220 · Computer/Software                     | 4,159.06                | 1,200.00          | 2,959.06              |
| 6225 · Office Furniture                      | 0.00                    | 0.00              | 0.00                  |
| 6230 · Printing/Graphic Design               | 0.00                    | 500.00            | -500.00               |
| 6235 · Notary Expense                        | 0.00                    | 0.00              | 0.00                  |
| 6240 · Cell Phone                            | 420.00                  | 420.00            | 0.00                  |
| 6245 · Conference                            | 0.00                    | 250.00            | -250.00               |
| 6250 · Meeting Expense                       | 1,514.75                | 1,600.00          | -85.25                |
| 6255 · Director Expense/Travel               | 0.00                    | 500.00            | -500.00               |
| 6260 · Director Fee                          | 5,300.00                | 6,000.00          | -700.00               |
| 6265 · Director Election                     | 0.00                    | 0.00              | 0.00                  |
| 6270 · Manager Travel/Parking                | 39.50                   | 50.00             | -10.50                |
| 6275 · Manager Meal/Entertainment            | 189.93                  | 100.00            | 89.93                 |
| 6280 · Manager Misc. Expense                 | 175.20                  | 0.00              | 175.20                |
| <b>Total 6200 · OFFICE EXPENSE</b>           | <u>25,216.22</u>        | <u>22,420.00</u>  | <u>2,796.22</u>       |
| <b>6300 · Other Expenses</b>                 |                         |                   |                       |
| 6350 · Bank Charge                           | 75.00                   | 150.00            | -75.00                |
| 6400 · Contributions & Subs                  | 1,250.00                | 1,250.00          | 0.00                  |
| 6500 · Depreciation Expense                  | 0.00                    | 0.00              | 0.00                  |
| 6600 · Membership Dues                       | 6,432.00                | 6,307.68          | 124.32                |
| 8900 · Miscellaneous                         | 0.00                    | 0.00              | 0.00                  |
| <b>Total 6300 · Other Expenses</b>           | <u>7,757.00</u>         | <u>7,707.68</u>   | <u>49.32</u>          |
| <b>6700 · INSURANCE</b>                      |                         |                   |                       |
| 6710 · Insurance - Liability                 | 6,821.38                | 7,051.80          | -230.42               |
| 6720 · Insurance-Workers Comp.               | 591.21                  | 663.00            | -71.79                |
| <b>Total 6700 · INSURANCE</b>                | <u>7,412.59</u>         | <u>7,714.80</u>   | <u>-302.21</u>        |
| <b>6800 · Consulting Expense</b>             |                         |                   |                       |
| 6810 · Audit                                 | 0.00                    | 0.00              | 0.00                  |
| 6850 · General/Accounting                    | 400.00                  |                   |                       |
| <b>6900 · Engineering</b>                    |                         |                   |                       |
| 6901 · Eng. - General                        | 80,267.25               | 75,000.00         | 5,267.25              |
| 6905 · Eng.-BDCP/Waterfix/DCP                | 11,806.13               | 5,000.00          | 6,806.13              |
| 6910 · Eng.-Assessments                      | 34,617.75               | 15,000.00         | 19,617.75             |
| 6911 · Eng.-Assessment Application           | 0.00                    | 0.00              | 0.00                  |
| 6912 · Eng.- Delta WQCP Update               | 5,419.00                | 5,000.00          | 419.00                |
| 6920 · Eng.- Barriers                        | 1,705.50                | 5,000.00          | -3,294.50             |
| <b>Total 6900 · Engineering</b>              | <u>133,815.63</u>       | <u>105,000.00</u> | <u>28,815.63</u>      |
| <b>6950 · Legal Service</b>                  |                         |                   |                       |
| 6951 · Legal-General                         | 195,082.06              | 45,000.00         | 150,082.06            |
| 6955 · Legal-BDCP/Waterfix/DCP               | 30,315.73               | 10,000.00         | 20,315.73             |
| 6956 · Legal-CA Waterfix CEQA                | 52,673.83               | 25,000.00         | 27,673.83             |
| 6957 · Legal - COA                           | 3,028.00                | 10,000.00         | -6,972.00             |
| 6958 · Legal - Delta WQCP Update             | 0.00                    | 20,000.00         | -20,000.00            |
| <b>Total 6950 · Legal Service</b>            | <u>281,099.62</u>       | <u>110,000.00</u> | <u>171,099.62</u>     |

---

|  | <b>Jul '22 - Jun 23</b> | <b>Budget</b>     | <b>\$ Over Budget</b> |
|--|-------------------------|-------------------|-----------------------|
| <b>Total 6800 · Consulting Expense</b> | 415,315.25              | 215,000.00        | 200,315.25            |
| <b>Total Expense</b>                   | 1,363,646.77            | 1,177,576.26      | 186,070.51            |
| <b>Net Ordinary Income</b>             | 376,159.97              | 552,302.98        | -176,143.01           |
| <b>Net Income</b>                      | <b>376,159.97</b>       | <b>552,302.98</b> | <b>-176,143.01</b>    |

NORTH DELTA WATER AGENCY  
Transaction Report Exhibit A  
As of July 27, 2023

---

| <u>Date</u>    | <u>Num</u> | <u>Name</u>                       | <u>Original Amount</u> | <u>Balance</u>      |
|----------------|------------|-----------------------------------|------------------------|---------------------|
| Jul 1 - 27, 23 |            |                                   |                        | 2,662,105.81        |
| 07/14/2023     |            |                                   | 19,343.09              | 2,681,448.90        |
| 07/27/2023     | 6989       | Employment Development Department | 0.00                   | 2,681,448.90        |
| 07/27/2023     | 6990       | EFTPS                             | 0.00                   | 2,681,448.90        |
| 07/27/2023     | To ...     | EFTPS                             | -2,707.04              | 2,678,741.86        |
| 07/27/2023     | To ...     | PERS                              | -1,651.14              | 2,677,090.72        |
| Jul 1 - 27, 23 |            |                                   |                        | <u>2,677,090.72</u> |

**NORTH DELTA WATER AGENCY**  
**Profit & Loss Prev Year Comparison EXHIBIT B**  
**July 1 - 27, 2023**

|  | Jul 1 - 27, 23    | Jul 1 - 27, 22    | \$ Change     |
|--|-------------------|-------------------|---------------|
| <b>Ordinary Income/Expense</b>               |                   |                   |               |
| <b>Income</b>                                |                   |                   |               |
| 7000 · Interest                              | 19,343.09         | 3,821.38          | 15,521.71     |
| <b>Total Income</b>                          | 19,343.09         | 3,821.38          | 15,521.71     |
| <b>Gross Profit</b>                          | 19,343.09         | 3,821.38          | 15,521.71     |
| <b>Expense</b>                               |                   |                   |               |
| <b>6100 · PAYROLL</b>                        |                   |                   |               |
| <b>6180 · Employee Benefit Expense</b>       |                   |                   |               |
| 6181 · Benefits - Retirement                 | 928.48            | 799.05            | 129.43        |
| 6182 · Benefits-Unfunded Liability PER       | 572.50            | 7,307.00          | -6,734.50     |
| 6183 · Benefit - Health Insurance            | 708.40            | 787.12            | -78.72        |
| 6184 · Benefit - Dental Insurance            | 46.23             | 46.23             | 0.00          |
| 6185 · Benefit - Life Insurance              | 33.50             | 27.50             | 6.00          |
| 6186 · Benefit - Vision Insurance            | 11.70             | 11.70             | 0.00          |
| <b>Total 6180 · Employee Benefit Expense</b> | 2,300.81          | 8,978.60          | -6,677.79     |
| <b>Total 6100 · PAYROLL</b>                  | 2,300.81          | 8,978.60          | -6,677.79     |
| <b>6200 · OFFICE EXPENSE</b>                 |                   |                   |               |
| 6205 · Service Agreement                     | 4,085.07          | 3,375.20          | 709.87        |
| 6215 · Office Supplies                       | 0.00              | 41.60             | -41.60        |
| 6220 · Computer/Software                     | 496.71            | 11.62             | 485.09        |
| 6240 · Cell Phone                            | 35.00             | 35.00             | 0.00          |
| 6250 · Meeting Expense                       | 120.00            | 120.00            | 0.00          |
| 6270 · Manager Travel/Parking                | 16.00             | 0.00              | 16.00         |
| <b>Total 6200 · OFFICE EXPENSE</b>           | 4,752.78          | 3,583.42          | 1,169.36      |
| <b>6700 · INSURANCE</b>                      |                   |                   |               |
| 6710 · Insurance - Liability                 | 0.00              | -180.62           | 180.62        |
| 6720 · Insurance-Workers Comp.               | 170.75            | 15.18             | 155.57        |
| <b>Total 6700 · INSURANCE</b>                | 170.75            | -165.44           | 336.19        |
| <b>6800 · Consulting Expense</b>             |                   |                   |               |
| <b>6900 · Engineering</b>                    |                   |                   |               |
| 6901 · Eng. - General                        | 21,070.50         | 3,617.00          | 17,453.50     |
| 6910 · Eng.-Assessments                      | 4,318.25          | 3,044.25          | 1,274.00      |
| 6912 · Eng.- Delta WQCP Update               | 66.25             | 0.00              | 66.25         |
| 6920 · Eng.- Barriers                        | 0.00              | 389.00            | -389.00       |
| <b>Total 6900 · Engineering</b>              | 25,455.00         | 7,050.25          | 18,404.75     |
| <b>6950 · Legal Service</b>                  |                   |                   |               |
| 6951 · Legal-General                         | 4,533.00          | 2,019.00          | 2,514.00      |
| 6955 · Legal-BDCP/Waterfix/DCP               | 210.01            | 0.00              | 210.01        |
| 6956 · Legal-CA Waterfix CEQA                | 0.00              | 595.83            | -595.83       |
| <b>Total 6950 · Legal Service</b>            | 4,743.01          | 2,614.83          | 2,128.18      |
| <b>Total 6800 · Consulting Expense</b>       | 30,198.01         | 9,665.08          | 20,532.93     |
| <b>Total Expense</b>                         | 37,422.35         | 22,061.66         | 15,360.69     |
| <b>Net Ordinary Income</b>                   | -18,079.26        | -18,240.28        | 161.02        |
| <b>Net Income</b>                            | <b>-18,079.26</b> | <b>-18,240.28</b> | <b>161.02</b> |

**NORTH DELTA WATER AGENCY**  
Balance Sheet Prev Year Comparison Exhibit C

|  | Jul 27, 23          | Jul 27, 22          | \$ Change         |
|--|---------------------|---------------------|-------------------|
| <b>ASSETS</b>                          |                     |                     |                   |
| <b>Current Assets</b>                  |                     |                     |                   |
| <b>Checking/Savings</b>                |                     |                     |                   |
| LAIF                                   | 2,645,807.54        | 2,044,886.34        | 600,921.20        |
| NDWA Checking - First Northern         | 302,398.69          | 445,020.21          | -142,621.52       |
| NORTH DELTA WA-- F&M Bank              | 31,283.18           | 113,254.02          | -81,970.84        |
| <b>Total Checking/Savings</b>          | <b>2,979,489.41</b> | <b>2,603,160.57</b> | <b>376,328.84</b> |
| <b>Accounts Receivable</b>             |                     |                     |                   |
| Accounts Receivable                    | -42,508.59          | -42,508.59          | 0.00              |
| <b>Total Accounts Receivable</b>       | <b>-42,508.59</b>   | <b>-42,508.59</b>   | <b>0.00</b>       |
| <b>Other Current Assets</b>            |                     |                     |                   |
| Assessments Receivable                 | 32,562.16           | 32,562.16           | 0.00              |
| Interest Receivable                    | 1,234.30            | 1,234.30            | 0.00              |
| Prepaid Expenses                       | 1,515.00            | 1,515.00            | 0.00              |
| <b>Total Other Current Assets</b>      | <b>35,311.46</b>    | <b>35,311.46</b>    | <b>0.00</b>       |
| <b>Total Current Assets</b>            | <b>2,972,292.28</b> | <b>2,595,963.44</b> | <b>376,328.84</b> |
| <b>Fixed Assets</b>                    |                     |                     |                   |
| Accum Depr - Equipment                 | -1,015.19           | -1,015.19           | 0.00              |
| Equipment                              | 1,015.19            | 1,015.19            | 0.00              |
| <b>Total Fixed Assets</b>              | <b>0.00</b>         | <b>0.00</b>         | <b>0.00</b>       |
| <b>TOTAL ASSETS</b>                    | <b>2,972,292.28</b> | <b>2,595,963.44</b> | <b>376,328.84</b> |
| <b>LIABILITIES &amp; EQUITY</b>        |                     |                     |                   |
| <b>Liabilities</b>                     |                     |                     |                   |
| <b>Current Liabilities</b>             |                     |                     |                   |
| <b>Accounts Payable</b>                |                     |                     |                   |
| Accounts Payable                       | 10,517.00           | 10,517.00           | 0.00              |
| <b>Total Accounts Payable</b>          | <b>10,517.00</b>    | <b>10,517.00</b>    | <b>0.00</b>       |
| <b>Other Current Liabilities</b>       |                     |                     |                   |
| Accrued Vacation                       | 8,936.00            | 8,936.00            | 0.00              |
| Payroll Liabilities                    | 2,139.50            | 2,131.65            | 7.85              |
| <b>Total Other Current Liabilities</b> | <b>11,075.50</b>    | <b>11,067.65</b>    | <b>7.85</b>       |
| <b>Total Current Liabilities</b>       | <b>21,592.50</b>    | <b>21,584.65</b>    | <b>7.85</b>       |
| <b>Total Liabilities</b>               | <b>21,592.50</b>    | <b>21,584.65</b>    | <b>7.85</b>       |
| <b>Equity</b>                          |                     |                     |                   |
| Retained Earnings                      | 2,968,779.04        | 2,592,619.07        | 376,159.97        |
| Net Income                             | -18,079.26          | -18,240.28          | 161.02            |
| <b>Total Equity</b>                    | <b>2,950,699.78</b> | <b>2,574,378.79</b> | <b>376,320.99</b> |



---

|                                       | <u>Jul 27, 23</u>          | <u>Jul 27, 22</u>          | <u>\$ Change</u>         |
|---------------------------------------|----------------------------|----------------------------|--------------------------|
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b><u>2,972,292.28</u></b> | <b><u>2,595,963.44</u></b> | <b><u>376,328.84</u></b> |

**NORTH DELTA WATER AGENCY**  
**Profit & Loss Budget vs. Actual Exhibit "D"**

Cash Basis

July 2023 through June 2024

|  | Jul '23 - Jun 24 | Budget     | \$ Over Budget |
|--|------------------|------------|----------------|
| <b>Ordinary Income/Expense</b>               |                  |            |                |
| <b>Income</b>                                |                  |            |                |
| 7000 · Interest                              | 19,343.09        | 15,000.00  | 4,343.09       |
| <b>Total Income</b>                          | 19,343.09        | 15,000.00  | 4,343.09       |
| <b>Gross Profit</b>                          | 19,343.09        | 15,000.00  | 4,343.09       |
| <b>Expense</b>                               |                  |            |                |
| <b>Payroll Expenses</b>                      | 7.75             |            |                |
| 6000 · DWR CONTRACT                          | 0.00             | 771,235.00 | -771,235.00    |
| 6100 · PAYROLL                               |                  |            |                |
| 6150 · Labor/Staff Salary                    |                  |            |                |
| 6151 · Taxes - Employer Share                | 763.02           | 9,874.51   | -9,111.49      |
| 6150 · Labor/Staff Salary - Other            | 9,979.00         | 119,691.00 | -109,712.00    |
| <b>Total 6150 · Labor/Staff Salary</b>       | 10,742.02        | 129,565.51 | -118,823.49    |
| 6180 · Employee Benefit Expense              |                  |            |                |
| 6181 · Benefits - Retirement                 | 928.48           | 9,276.05   | -8,347.57      |
| 6182 · Benefits-Unfunded Liability P...      | 572.50           | 8,403.05   | -7,830.55      |
| 6183 · Benefit - Health Insurance            | 708.40           | 9,697.25   | -8,988.85      |
| 6184 · Benefit - Dental Insurance            | 46.23            | 650.00     | -603.77        |
| 6185 · Benefit - Life Insurance              | 33.50            | 362.00     | -328.50        |
| 6186 · Benefit - Vision Insurance            | 11.70            | 141.00     | -129.30        |
| <b>Total 6180 · Employee Benefit Expense</b> | 2,300.81         | 28,529.35  | -26,228.54     |
| <b>Total 6100 · PAYROLL</b>                  | 13,042.83        | 158,094.86 | -145,052.03    |
| 6200 · OFFICE EXPENSE                        |                  |            |                |
| 6205 · Service Agreement                     | 4,085.07         | 10,000.00  | -5,914.93      |
| 6210 · GASB 68 (PERS)                        | 0.00             | 800.00     | -800.00        |
| 6215 · Office Supplies                       | 0.00             | 1,000.00   | -1,000.00      |
| 6220 · Computer/Software                     | 496.71           | 5,000.00   | -4,503.29      |
| 6230 · Printing/Graphic Design               | 0.00             | 500.00     | -500.00        |
| 6240 · Cell Phone                            | 35.00            | 420.00     | -385.00        |
| 6245 · Conference                            | 0.00             | 500.00     | -500.00        |
| 6250 · Meeting Expense                       | 120.00           | 1,600.00   | -1,480.00      |
| 6255 · Director Expense/Travel               | 0.00             | 500.00     | -500.00        |
| 6260 · Director Fee                          | 0.00             | 5,000.00   | -5,000.00      |
| 6265 · Director Election                     | 0.00             | 500.00     | -500.00        |
| 6270 · Manager Travel/Parking                | 16.00            | 50.00      | -34.00         |
| 6275 · Manager Meal/Entertainment            | 0.00             | 100.00     | -100.00        |
| <b>Total 6200 · OFFICE EXPENSE</b>           | 4,752.78         | 25,970.00  | -21,217.22     |
| 6300 · Other Expenses                        |                  |            |                |
| 6350 · Bank Charge                           | 0.00             | 150.00     | -150.00        |
| 6400 · Contributions & Subs                  | 0.00             | 1,250.00   | -1,250.00      |
| 6600 · Membership Dues                       | 0.00             | 6,560.64   | -6,560.64      |
| <b>Total 6300 · Other Expenses</b>           | 0.00             | 7,960.64   | -7,960.64      |
| 6700 · INSURANCE                             |                  |            |                |
| 6710 · Insurance - Liability                 | 0.00             | 7,503.52   | -7,503.52      |
| 6720 · Insurance-Workers Comp.               | 170.75           | 650.33     | -479.58        |
| <b>Total 6700 · INSURANCE</b>                | 170.75           | 8,153.85   | -7,983.10      |
| 6800 · Consulting Expense                    |                  |            |                |
| 6810 · Audit                                 | 0.00             | 7,000.00   | -7,000.00      |

|  | <u>Jul '23 - Jun 24</u>  | <u>Budget</u>               | <u>\$ Over Budget</u>      |
|--|--------------------------|-----------------------------|----------------------------|
| <b>6900 · Engineering</b>              |                          |                             |                            |
| 6901 · Eng. - General                  | 21,070.50                | 90,000.00                   | -68,929.50                 |
| 6905 · Eng.-BDCP/Waterfix/DCP          | 0.00                     | 5,000.00                    | -5,000.00                  |
| 6910 · Eng.-Assessments                | 4,318.25                 | 20,000.00                   | -15,681.75                 |
| 6912 · Eng.- Delta WQCP Update         | 66.25                    | 20,000.00                   | -19,933.75                 |
| <b>Total 6900 · Engineering</b>        | <u>25,455.00</u>         | <u>135,000.00</u>           | <u>-109,545.00</u>         |
| <b>6950 · Legal Service</b>            |                          |                             |                            |
| 6951 · Legal-General                   | 4,533.00                 | 150,000.00                  | -145,467.00                |
| 6955 · Legal-BDCP/Waterfix/DCP         | 210.01                   | 10,000.00                   | -9,789.99                  |
| 6956 · Legal-CA Waterfix CEQA          | 0.00                     | 65,000.00                   | -65,000.00                 |
| 6957 · Legal - COA                     | 0.00                     | 6,000.00                    | -6,000.00                  |
| 6958 · Legal - Delta WQCP Update       | 0.00                     | 20,000.00                   | -20,000.00                 |
| <b>Total 6950 · Legal Service</b>      | <u>4,743.01</u>          | <u>251,000.00</u>           | <u>-246,256.99</u>         |
| <b>Total 6800 · Consulting Expense</b> | <u>30,198.01</u>         | <u>393,000.00</u>           | <u>-362,801.99</u>         |
| <b>Total Expense</b>                   | <u>48,172.12</u>         | <u>1,364,414.35</u>         | <u>-1,316,242.23</u>       |
| <b>Net Ordinary Income</b>             | <u>-28,829.03</u>        | <u>-1,349,414.35</u>        | <u>1,320,585.32</u>        |
| <b>Net Income</b>                      | <u><b>-28,829.03</b></u> | <u><b>-1,349,414.35</b></u> | <u><b>1,320,585.32</b></u> |



|                            |                       |
|----------------------------|-----------------------|
| <i>Chairman</i>            | Steve Mello           |
| <i>Vice-Chairman</i>       | Jack Kuechler         |
| <i>Secretary/Treasurer</i> | Tom Slater            |
| <i>Director</i>            | Justin van Loben Sels |
| <i>Director</i>            | Mark van Loben Sels   |
| <i>Manager</i>             | Melinda Terry         |

July 17, 2023

**Via U.S. and Electronic Mail (SWPDeltaOps@water.ca.gov)**

Chris Wilkinson,  
Division of Integrated Science and Engineering  
California Department of Water Resources  
P.O. Box 942836  
Sacramento, CA 94236-0001

Re: Comments on the Notice of Preparation of an Environmental Impact Report for the Long-Term Operations of the California State Water Project

Dear Mr. Wilkinson:

To secure the current contractual and individual water rights of constituent landowners in the North Delta of the Sacramento and San Joaquin Rivers to adequate water supply and quality, the North Delta Water Agency (the “Agency”) submits these comments on the Notice of Preparation of an Environmental Impact Report (EIR) for the Long-Term Operations of the California State Water Project (NOP).

## **I. Background**

The Agency was formed in 1973 by a special act of the Legislature to represent northern Delta interests in negotiating a water supply and quality contract with both the United States Bureau of Reclamation and California Department of Water Resources (DWR), to mitigate the water rights impacts of the Central Valley Project (CVP) and the State Water Project (SWP). In 1981, the Agency and DWR executed the Contract for the Assurance of a Dependable Water Supply of Suitable Quality (“1981 Contract”). The 1981 Contract’s fundamental guarantee is that the State of California, on an ongoing basis, will ensure that suitable water will be available in the northern Delta for agriculture and other beneficial uses. As the implementing agency of the 1981 Contract, DWR must operate the SWP to meet specified water quality criteria on the Sacramento, San Joaquin, Mokelumne, and North Fork Mokelumne Rivers and on Steamboat Slough, while providing enough water to satisfy all reasonable and beneficial uses of water within the Agency’s boundaries. (1981 Contract, Art. 2) In return, the Agency makes an annual payment to DWR. (*Id.* Art. 10).

## **II. Comments**

Under the California Environmental Quality Act (CEQA) an EIR serves as an “environmental ‘alarm bell’ whose purpose it is to alert the public and its responsible officials to environmental

changes before they have reached ecological points of no return.” *Santiago County Water Dist. v. County of Orange* (1981) 118 Cal. App.3d 818. The EIR is intended “to demonstrate to an apprehensive citizenry that the agency has, in fact, analyzed and considered the ecological implications of its action.” *No Oil, Inc., v. City of Los Angeles* (1974) 13 Cal.3d 68, 86; State CEQA Guidelines, § 15003(d). To serve that purpose, the EIR for long-term operations of the SWP must provide the necessary detail to allow the public and decision-makers to make informed decisions about the potential impacts. *San Joaquin Raptor Rescue Center v. County of Merced* (2007) 149 Cal.App.4th 645, 672. When a project will cause potentially significant environmental impacts, the EIR must propose and describe mitigation measures to minimize or avoid those effects. *East Sacramento Partnership for a Livable City v. City of Sacramento* (2016) 5 Cal. App. 5th 281, 303, citing Pub. Res. Code §§ 21002.1(a), 21100(b)(3); State CEQA Guidelines, 14 C.C.R. § 15126.4(a)(1). For DWR’s proposed Project, the EIR must contain a complete analysis of the reasonably foreseeable impacts to water supply and quality, water diversion infrastructure, and water channels and embankments in the Delta. The EIR must also provide adequate, enforceable mitigation measures and monitoring programs to minimize or avoid those potential impacts.

#### **A. The Project Description Needs to Identify the 1981 Contract.**

As set forth in the Project Description, DWR seeks to change the long-term operations of SWP facilities in the Delta, Suisun Marsh, and Suisun Bay to accommodate implementation of Voluntary Agreements for the Water Quality Control Plan Update, pending approval by the State Water Resources Control Board (SWRCB). The NOP identifies potential impacts to a number of environmental resource categories, including surface water quality and hydrology. The Agency is concerned that the contemplated updates to the long-term operations of the SWP could alter water quality, water surface elevations, and flow velocities to the detriment of water users in the North Delta. Such impacts must be fully analyzed and mitigated in the EIR.

The NOP states DWR will continue to operate the SWP in compliance with “all applicable laws and regulations, including contractual obligations” under the proposed Project. The EIR should expressly articulate DWR’s contractual obligations under the 1981 Contract and analyze how the proposed changes to the long-term SWP operations are consistent with DWR’s obligation to fully comply with the year-round water quality criteria and other terms and conditions of the 1981 Contract.

#### **B. The EIR Needs to Consider the Effects of Operating the SWP in Compliance with the 1981 Contract.**

The criteria set forth in the 1981 Contract should be incorporated into the environmental baseline from which DWR analyzes the potential impacts of its proposed changes. Modeling and analysis for the Project alternatives should address the potential effects in the North Delta and identify how the proposed long-term coordinated operations will assure adequate water supply reliability, availability, and quality for all North Delta water users. If the modeling indicates that there may impacts to surface elevations, water quality, supply, or Delta hydrology and hydraulics, the EIR must explain how DWR will continue to meet its contractual obligations under the 1981 Contract.

DWR's compliance with the 1981 Contract is not discretionary. Therefore, while CEQA requires DWR to implement feasible mitigation measures to reduce significant impacts of projects to less-than-significant levels, the 1981 Contract still forbids DWR from choosing not to comply with the specific requirements of the 1981 Contract based on a determination of infeasibility, or otherwise.

The EIR should address thresholds of significance for water quality impacts including any potentially significant impacts if the Project would cause violation of a water quality standard or substantially degrade water quality, including addressing compliance with the water quality criteria of the 1981 Contract. The salinity criteria of the 1981 Contract are separate and distinct from Water Quality Control Plan standards, and are year-round. The EIR and supporting materials should therefore include DWR's nondiscretionary obligation to abide by the terms of the 1981 Contract, and analyze the impacts of the project operating in compliance with those terms. All hydrological and hydraulic modeling undertaken to analyze the alternatives must assume that the terms and conditions of the 1981 Contract, including but not limited to its water quality requirements in the fall and winter months (August 16 through April 30) will remain in full force and effect.

Moreover, water quality analysis must not be restricted only to the direct effects of the proposed changes to the long-term operations of the SWP. Section 15130 of the CEQA Guidelines requires an EIR also consider cumulative impacts. Cumulative impacts are defined as two or more individual effects which, when considered together, are considerable or which compound or increase other effects. The individual effects may be changes resulting from a single project or a number of separate projects. The cumulative impact from several projects is the change in the environment, which results from the projects when added to other closely related projects. Because of the far-reaching scope of the proposed long-term operational changes, it is all the more incumbent upon DWR to fully analyze the potential cumulative impacts to water quality. Other potential projects must be accounted for in the modeling and the EIS/EIR, including proposed Delta conveyance infrastructure, marsh and habitat creation, and upstream storage projects.

### **C. Additional Comments on the Draft EIR**

The Agency makes the following additional comments on the NOP:

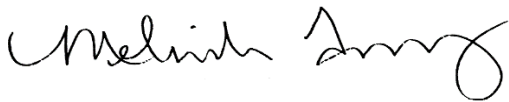
1. The EIR should meaningfully address or quantify the economic, health, and agriculture impacts due to identified and unidentified water quality exceedances and other changes in water surface elevation.
2. The EIR should consider the individual diversion intakes, primarily agricultural siphons, located in the North Delta in order to analyze and mitigate any adverse impacts to surface water elevation and water quality where these diversions are located.
3. The EIR needs to analyze whether the flows necessary for DWR to comply with water quality criteria obligations in the 1981 Contract will be assured in long-term operations of the SWP.

4. The EIR should incorporate any mitigation measures committing DWR to the repair, modification, or replacement of existing landowner diversion facilities and levees as required under Article 6 of the 1981 Contract if there are any proposed long-term modification of the operations of the SWP.

### III. Conclusion

The Agency has long been a stakeholder and highly engaged participant in DWR's operations of the SWP. Long-term changes to the operation of SWP facilities in the Delta have the potential to significantly affect water quality, water supply, and flow for water users within the Agency's jurisdiction. To ensure it can continue to comply with its contractual obligations, DWR should incorporate the criteria and terms of the 1981 Contract in its modeling and environmental analysis. Meaningful public review is the strongest assurance of the adequacy of an EIR. The Agency appreciates the opportunity to participate in that public review and thanks DWR in advance for its attention to these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Melinda Terry". The signature is fluid and cursive, with a large loop at the end of the last name.

Melinda Terry,  
Manager