



BOARD OF DIRECTORS MEETING | Agenda

FRIDAY, DECEMBER 10, 2021

CLOSED SESSION – 8:30 A.M. /OPEN SESSION – 10:00 A.M.

**VISALIA CONVENTION CENTER, 303 E. ACEQUIA AVE, VISALIA, CA 93291
SEQUOIA ROOM, 2ND FLOOR**

At the discretion of the Board of Directors, all items appearing on this agenda, whether or not expressly listed for action, may be subject to action by the Board. The order of agenda items is subject to change.

Here is the meeting link for those of you that would like to access the Board meeting via Webex at 10:00 a.m.

Join from the meeting link

<https://friantwater.webex.com/friantwater/j.php?MTID=mea7499cdca0072a1a08f853b9ab90ec6>

Join by meeting number

Meeting number (access code): 2459 401 2627

Meeting password: kAipZYyq594 (52479997 from phones)

Tap to join from a mobile device (attendees only)

+1-415-655-0001,,24594012627#52479997# US Toll

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CALL TO ORDER/ROLL CALL – (LOEFFLER)

APPROVAL OF THE AGENDA – (LOEFFLER)

PUBLIC COMMENT ON CLOSED SESSION ITEMS – (DAVIS)

ADJOURN TO CLOSED SESSION

1. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Government Code section 54956.9(d)(1))

1. *California Natural Resources Agency v. Raimondo*, United States District Court for the Eastern District of California, Case No. 1:20-CV-00426-DAD-EPG
2. *Tehama Colusa Canal Authority v. California Dept. of Water Resources*, Sacramento County Superior Court, Case No. 34-2021-80003665-CU-WM-GDS
3. *Friant Water Authority v. Malley Investment Properties, LP*, Tulare County Superior Court, Case No. VCU288285

- B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
(Government Code section 54956.9(d)(2))
Significant Exposure to Litigation: Four potential matters.
- C. CONFERENCE WITH LEGAL COUNSEL-INITIATION OF LITIGATION
(Government Code section 54956.9(d)(4))
Initiation of Litigation: Two potential cases.
- D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code section 54956.8)
 - 1. Property: Friant-Kern Canal facilities and right-of-way
Agency negotiator: CEO, CFO, General Counsel
Negotiating parties: United States (Bureau of Reclamation)
Under negotiation: Middle Reach Capacity Correction Project Cost Share Agreement (price and terms of payment)
 - 2. Property: Tulare County APN: 302-240-013, 302-250-006 and 320-030-006
Agency negotiator: General Counsel
Negotiating parties: Farmland Reserve, Inc.
Under negotiation: Friant-Kern Canal Middle Reach Capacity Correction Project right of way (price and terms of payment)

RECONVENE INTO OPEN SESSION (10:00 AM) (Announce any reportable closed session action.)

PUBLIC COMMENT / PUBLIC PRESENTATIONS – (LOEFFLER)

Public comment is welcome at this time on any matter within the jurisdiction of the Board that is not on the agenda. Under the State's open meeting law - the Brown Act - no action may be taken on any item not on the agenda. Public comment on items on the agenda will be allowed at the time the Board considers the item.

2. CONSENT CALENDAR – (5 MINUTES)

The following routine matters will be acted upon by one vote, unless a Board Member requests separate consideration of the item.

- A. Approval of the Minutes – Board of Directors Meeting of October 28, 2021. (Loeffler)
- B. Adopt Resolution No. 2021–14 Setting the 2022 Regular Board Meeting Dates.
(Loeffler)
- C. Ratify November 2021 bills and accept the Cash Activity Reports October 2021. (Orvis)
- D. Call-for-Funds – The Board will consider a January 1, 2022 Call-for-Funds.
(Orvis)
- E. Current Retirement and Deferred Compensation Plans Investment Approval. (Orvis)

3. ACTION ITEMS (25 MINUTES)

- A. Previously Budgeted Equipment Purchases – The Board will consider final approval of previously budgeted equipment purchases. (Hickernell/Orvis) (5 minutes)
- B. Master Professional Service Agreement – The Board will consider approval of Master Professional Service Agreement with Brian Thomas for Financial Consulting Services. (Orvis) (5 minutes)
- C. Allocation of the Settlement Payment received from San Luis & Delta Mendota Water Authority. (Orvis) (10 minutes)
- D. State Funding Resolution – The Board will consider adoption of a resolution authorizing a Funding Agreement with the Department of Water Resources and Designating a Representative to Execute the Agreement and any Amendments Thereto for the Friant-Kern Canal Capacity Correction Project. (Orvis) (5 minutes)

4. GENERAL UPDATES & REPORTS (90 MINUTES)

- A. FKC Middle Reach Capacity Correction Project Activities and Schedule Update. (Amaral/Davis/Phillips) (10 minutes)
- B. Water Operations Update. (Buck-Macleod) (25 minutes)
 - a. Delta Operations (10 minutes)
 - b. Friant Operations (10 minutes)
 - c. FKC Water Quality Plan (5 minutes)
- C. External Affairs Activities. (Biering/Amaral) (10 minutes)
- D. San Joaquin Valley Blueprint Update. (Ewell) (10 minutes)
- E. O&M Report. (Hickernell) (5 minutes)
- F. San Luis Delta-Mendota Water Authority Update. (Phillips/Orvis) (10 minutes)
- G. 2021 FWA Board Retreat Summary (Amaral/Phillips) (10 minutes)
- H. CEO Report. (Phillips) (10 minutes)

Public Participation Information

Agenda reports and other disclosable public records related to each Open Session agenda item are available on FWA's website under "Calendar" at Friantwater.org and at FWA's main office, 854 N. Harvard Ave., Lindsay, CA 93247, during regular business hours. Under the Americans with Disabilities Act, if you require a disability-related modification or accommodation to participate in this meeting, including auxiliary aids or services, please contact Toni Marie at 559-562-6305 at least 48 hours prior to the meeting.



BOARD OF DIRECTORS MEETING | Minutes

THURSDAY, OCTOBER 28, 2021

CLOSED SESSION - 8:30 A.M. /OPEN SESSION – 10:30 A.M. VISALIA
CONVENTION CENTER, 303 E. ACEQUIA AVE, VISALIA, CA 93291
SEQUOIA ROOM/2ND FLOOR

CALL TO ORDER/ROLL CALL – (LOEFFLER)

Chairman Cliff Loeffler called to order the noticed meeting of the Board of Directors of the Friant Water Authority at 8:30 a.m.

ROLL CALL

Chief Executive Officer, Jason R. Phillips noted that a quorum of the Board of Directors was present.

ATTENDANCE:

Directors Present:

Edwin Camp	Arvin-Edison W.S.D. (AEWSD)
George Porter	Fresno I.D. (FID)
Chris Tantau	Kaweah Delta W.C.D. (KDWCD)
Kent Stephens	Kern-Tulare W.D. (KTWD)
Michael Brownfield	Lindmore I.D. (LID)
Cliff Loeffler	Lindsay-Strathmore I.D. (LSID)
Josh Pitigliano	Lower-Tule River I.D. (LTRID)
Jim Erickson	Madera I.D. (MID)
David A. Brown	Orange Cove I.D. (OCID)
Eric Borba	Porterville I.D. (PID)
Steve Kisling	Saucelito I.D. (SID)
Matthew Leider	Teapot Dome W.D. (TPWD)
Edwin Wheaton	Terra Bella I.D. (TBID)
Rick Borges	Tulare I.D. (TID)

Directors Absent:

Kole Upton	Chowchilla W.D. (CWD)
Loren Booth	Hills Valley I.D. (HVID)
Brock Buche	City of Fresno (CofF)

APPROVAL OF THE AGENDA

The Board approved the agenda as presented.

M/S/C – Motion by Director Erickson, seconded by Director Brownfield, to approve the agenda as presented. The motion carried. (Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, LTRID, MID, OCID, PID, SID, TPWD, TBID, TID; Nays – 0; Absent – CWD, CofF)

PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no public comment on any closed session items.

ADJOURN TO CLOSED SESSION

1. CLOSED SSESSION

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Government Code section 54956.9(d)(1))
 - 1. *California Natural Resources Agency v. Raimondo*, United States District Court for the Eastern District of California, Case No. 1:20-CV-00426-DAD-EPG
 - 2. *Tehama Colusa Canal Authority v. California Dept. of Water Resources*, Sacramento County Superior Court, Case No. 34-2021-80003665-CU-WM-GDS
- B. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
(Government Code section 54956.9(d)(2))
Significant Exposure to Litigation: Three potential matters.
- C. CONFERENCE WITH LEGAL COUNSEL-INITIATION OF LITIGATION
(Government Code section 54956.9(d)(4))
Initiation of Litigation: Three potential cases.
- D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Friant-Kern Canal facilities and right-of-way
Agency negotiator: CEO, CFO, General Counsel
Negotiating parties: United States (Bureau of Reclamation)
Under negotiation: Middle Reach Capacity Correction Project Repayment Contract (price and terms of payment)
- E. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Tulare County APN: 319-150-009
Agency negotiator: CEO, CFO, General Counsel
Negotiating parties: Kyte & County Line Farms LLC
Under negotiation: price and terms of payment
- F. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Tulare County APNs: 390-160-010, -014, -015
Agency negotiator: CEO, CFO, General Counsel
Negotiating parties: Malley Investment Properties, LP
Under negotiation: price and terms of payment
- G. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: Tulare County APN: 393-090-005
Agency negotiator: CEO, CFO, General Counsel
Negotiating parties: Merritt Family Members
Under negotiation: price and terms of payment

RECONVENE INTO OPEN SESSION

Director Loeffler announced that there was no reportable action taken during closed session.

PUBLIC COMMENT / PUBLIC PRESENTATIONS

Director Matt Leider, who is also a representative for Tea Pot Dome Irrigation District on the Eastern-Tule Groundwater Sustainability Agency (ETGSA), presented the Friant Water Authority with a symbolic check in the amount of \$3,392,527.59, reflecting ETGSA's first payment under its Settlement Agreement with FWA regarding subsidence impacts to the Friant-Kern Canal. Chairman Loeffler thanked the ETGSA for the payment (which had formally been received by FWA).

CEO Phillips took the opportunity to introduce Julian Grijalva, Friant's new Senior Engineer.

2. CONSENT CALENDAR

The following routine matters were acted upon by one vote.

- A. Approval of the Minutes – Board of Directors Meeting of July 29, 2021
- B. Approval of the Minutes – Special Board of Directors Meeting of September 13, 2021
- C. Approval of the Minutes – Board of Directors Meeting of September 23, 2021
- D. Accept Cash Activity Reports for September 2021 and pay the bills for October 2021.

M/S/C – Motion by Director Borba, seconded by Director Brown, to approve the consent calendar as presented. (Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, LTRID, MID, OCID, PID, SID, TPWD, TBID, TID; Nays – 0; Absent – CWD, CofF)

3. ACTION ITEMS

- A. Additional Scope of Work and Related Costs for GSI Environmental for Friant-Kern Canal Subsidence Monitoring and Engagement with Groundwater Sustainability Agencies. (Amaral) – Acting COO Amaral asked the Board to approve and Task Order 2 with GSI for an additional \$125,000 for monitoring subsidence along the Friant-Kern Canal as outlined in the agenda report.

M/S/C – Motion by Director Borges, seconded by Director Brownfield, to approve Task Order No. 2 with GSI for monitoring subsidence along the Friant-Kern Canal and assist with GSA engagement and increase the approved budget under the Master Professional Services Agreement with GSI by \$125,000. (Roll Call Vote: Ayes – AESWD, FID, KDWCD, KTWD, LID, LSID, LTRID, OCID, PID, SID, TPWD, TBID, TID; Nays – 0; Absent – CofF)

- B. Allocation of the settlement payment received from San Louis & Delta Mendota Water Authority regarding the Panoche Water District – CFO Orvis went through the allocation of settlement of payment that included a recommended allocation of the settlement payments by year and District as outlined in the agenda report. The Finance Committee also reviewed the proposal at the October Finance Committee meeting and had approved a motion to recommend approval by the Board of Directors.

After further discussion, the Board of Directors decided to table this item and requested additional information regarding the proposed allocation methodology.

4. GENERAL UPDATES & REPORTS

- A. FKC Middle Reach Capacity Correction Project (FKC MRCCP) Activities and Schedule Update.
- Acting COO Amaral gave an update on the MRCCP as outlined in the agenda report. This included the award of the construction contract for the Phase 1 Project to the Brosamer & Wall/Tutor Perini Joint Venture on October 7th by the Bureau of Reclamation, which was approximately three weeks ahead of the planned schedule. BRI has closed escrow on 5 parcels and has full and tentative agreements with 10 owners; and a total of 10 relocation designs have been prepared by SCE and a final draft of the SCE Master Facilities Relocation Agreement is being completed for signature. A 60% design completion is expected by the end of November on the replacement pump stations at which point meetings with the affected districts will take place.
- B. Water Operations Update.
- CEO Phillips and WRM Buck-Macleod gave an update on water operations as well as recent SWRCB actions as outlined in the agenda report. It was also reported that Friant Division water supplies were being exchanged with SWP supplies in the San Luis Reservoir to support Reclamation deliveries for CVP purposes to avoid Friant Dam releases down the San Joaquin River to meet Exchange Contractor demands. Friant's allocation of 20% Class 1 supplies remains unchanged. Reclamation has requested that Contract Year 2022 reschedule water up to 10% of respective Class 1 contractor amount by Friant Contractors.
- C. External Affairs Activities – CEA Amaral provided the External Affairs report as outlined in the agenda report. On the State side, Friant is working with the DWR to plan how to disburse grants from the \$100 million included in the 2021/2022 State Budget for conveyance as soon as possible; Water Infrastructure Funding Act of 2022 proponents have filed a final amended version of the initiative's language with the Secretary of State that would enact a state constitutional amendment requiring that 2% of each year's General Fund budget be dedicated to water supply projects and would represent a funding source for water projects. On the Federal side, Friant continues to follow Biden's negotiations over the \$3.5 Trillion infrastructure package.
- D. San Joaquin Valley Blueprint (SJVb) Update – Austin Ewell gave an update on the SJVB as outlined in the agenda report. He also said that the Blueprint has established a nominating committee to identify up to 15 directors to better reflect its current participants, contributors and its approach for a streamlined review and action process; the Blueprint Advisory committee will hold its first meeting on October 27th where they will introduce the participants, provide an overview of the Water Blueprint and discuss drought planning for 2022.
- E. O&M Report – Superintendent Hickernell provided the O&M report as outlined in the agenda report. He also said that staff have gone 1,903 days with no lost time accident. Maintenance continues to apply copper-sulfate as part of the ongoing algae control program; and Lindsay maintenance staff assisted Water Operation with trenching, conduit, and transformer platform installation for the power supply at Lake Wollomes.
- F. San Luis Delta-Mendota Water Authority (SLDMWA) Update – CFO Orvis gave an update as outlined in the agenda report. He also reported that SLDMWA voted to proceed with the self-financing of the San Luis Transmission Project. Friant submitted a letter identifying the outstanding questions and concerns and requested an agreement with FWA tolling the limitations period for any legal challenges to the Board's bond financing actions. Friant

continues to meet with SLDMWA staff to resolve outstanding questions and concerns.

Friant has participated in the initial review of the proposed WY 2022 OM&R budget discussion and raised questions as to the cost recovery of non-routine OM&R items.

- G. CEO Report – CEO Phillips reported that he participated in the annual Madera County Farm Bureau annual harvest celebration. Jason also took a moment to remember Rick Cousins, who had recently passed away.

ADJOURNMENT

The meeting adjourned at 12:00 p.m.

Jason R. Phillips, Chief Executive Officer
Friant Water Authority

Toni Marie, Recording Secretary
Friant Water Authority

Others in Attendance:

Jeff Giumarra	Arvin-Edison W.S.D.
Jeevan Muhar	Arvin-Edison W.S.D.
Brandon Tomlinson	Chowchilla W.D.
Bill Stretch	Fresno I.D.
Nick Keller	Hills Valley I.D.
Mark Larsen	Kaweah-Delta W.C.D.
Steve Dalke	Kern-Tulare W.D.
Michael Hagman	Lindmore I.D.
Tom Barcellos	Lower Tule River I.D.
Eric Limas	Lower Tule River I.D., Tea Pot Dome W.D.
Tommy Greci	Madera I.D.
Fergus Morrissey	Orange Cove I.D.
Nick Keller	Porterville I.D., Saucelito I.D., Terra Bella I.D.
Eric Limas	Tea Pot Dome W.D.
Aaron Fukuda	Tulare I.D.
William D. West	Stone Corral I.D.
Kris Lawrence	Southern San Joaquin W.D.
Tom Weddle	Exeter I.D./Ivanhoe I.D.
Roland Gross	San Joaquin M.U.D.
Don Davis	FWA General Counsel
Chris Hickernell	FWA
Jason Phillips	FWA
John Bezdek	FWA
Jocelyn Bean	FWA
Johnny Amaral	FWA
Wilson Orvis	FWA
Ian Buck-Macleod	FWA
Vivian Garcia	FWA
Julian Grijalva	FWA
Alex Biering	FWA

Edwin Roberts	FWA
Bill Luce	FWA
Brian Thomas	Consultant
Aubrey Mauritson	Counsel
Austin Ewell	SJV Blueprint
Don Wright	Waterwrights.com
Shelley Abajian	Senator Feinstein
John Gailey	Delta View Water Association
Geoffrey Vanden Heuvel	Milk Producers Council
Wonderful	

AGENDA REPORT

NO. 2.B

DATE: December 10, 2021

TO: Friant Water Authority, Board of Directors

FROM: Toni Marie, Board Recording Secretary

SUBJECT: Adopt Resolution No. 2021-14 A Resolution of the Friant Water Authority Board of Directors Setting its 2022 Regular meeting Dates

SUMMARY:

The Board of Directors meeting dates are set annually. The attached Resolution of the Friant Water Authority No. 2021-14 and its Exhibit A memo includes the meeting dates and times for the 2022 calendar year as recommended by Staff.

RECOMMENDED ACTION:

It is recommended that the Board of Directors review and consider for adoption the Resolution for the meeting dates for 2022.

SUGGESTED MOTION:

Motion to adopt Resolution No. 2021-14 setting the Friant Board of Directors 2022 meeting dates and locations.

ATTACHMENTS:

Resolution No. 2021-14

Exhibit A Memo – Board of Directors Meeting Dates for 2022

For information only – Executive Committee Meeting Dates Memo; and Finance Committee Meeting Dates Memo.

Resolution No. 2021-14

***A Resolution of the Friant Water Authority Board of Directors
Setting Its 2022 Regular Meeting Dates***

WHEREAS, Article III of Bylaws of the Friant Water Authority provides that its Board of Directors will hold a regular meeting on the fourth Thursday of each month, except as otherwise determined by the Board of Directors; and

WHEREAS, the Board of Directors has determined to establish the time and location for its regular meeting for the year 2022,

NOW, THEREFORE, BE IT RESOLVED that during 2022, the regular meetings of the Board of Directors of the Friant Water Authority will be held in Tulare County, California, commencing at 8:30 a.m., on the dates set forth on the schedule attached as Exhibit A; and

BE IT FURTHER RESOLVED that all meetings of the Board of Directors will be noticed and conducted subject to the provisions of the Ralph M. Brown Act, Sections 549050 and following, of the California Government Code.

PASSED AND ADOPTED by the Board of Directors of the Friant Water Authority on December 10, 2021.

Cliff Loeffler, Chair of the Board of Directors

ATTEST:

Jim Erickson, Secretary/Treasurer
Friant Water Authority

I , Jim Erickson, Secretary/Treasurer of the Friant Water Authority, certify that Resolution No. 2021-14 was duly adopted by the Board of Directors of the Friant Water Authority at a regular meeting held a December 10, 2021, by the following vote: .

AYES:

NOES:

ABSENT:

Jim Erickson, Secretary/Treasurer
Friant Water Authority

MEMORANDUM

DATE: December 10, 2021
TO: Board of Directors
FROM: Toni Marie, Executive Secretary
SUBJECT: FWA BOARD MEETING DATES FOR 2022

The Board of Directors meets every 4th Thursday of the month at 8:30 a.m. except as noted. There is no Board of Directors meeting in November. Below is a schedule showing dates and times. The location for the meetings will be at the Visalia Convention Center at 303 E Acequia Ave, Visalia, CA 9329.

Thursday	January 27	8:30 a.m. – 4:00 p.m.	San Joaquin C-D/VCC
Thursday	February 24	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	March 24	8:30 a.m. – 4:00 p.m.	Redwood Ctr/Wyndham Hotel
Thursday	April 28	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	May 26	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	June 23	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	July 28	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	August 25	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	September 22	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	October 27	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC
Thursday	November 24	NO BOARD MEETING	
Friday	December 9	8:30 a.m. – 4:00 p.m.	Sequoia Room/VCC

VCC – Visalia Convention Center

Dates to Remember:

Mid-Pacific Regional Conference, January 19-21, Reno
Family Farm Alliance Conference, February 24-25, Reno
ACWA Spring Conference, May 3-6, Sacramento
ACWA Fall Conference, November 29 - December 2, Indian Wells

MEMORANDUM

DATE: October 18, 2021

TO: Executive Committee

cc: Board of Directors

FROM: Toni Marie, Executive Secretary

SUBJECT: EXECUTIVE COMMITTEE MEETING DATES FOR 2022

The Executive Committee meets the Monday before the 4th Thursday of the month (the week prior to the Board of Directors meeting) at 9:00 a.m. except as noted. Below is a schedule showing proposed dates, times and locations for the coming year:

Monday	January 17	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	February 14	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	March 14	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	April 18	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	May 16	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	June 13	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	July 18	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	August 15	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	September 12	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	October 17	9:00 a.m. – 11:00 a.m.	FWA Conference Room Lindsay
Monday	No Nov Mtg		Board Retreat Week
Monday	No Dec Mtg		FWA Conference Room Lindsay

Dates to Remember:

Mid-Pacific Regional Conference, January 19-21, Reno

Family Farm Alliance Conference, February 24-25, Reno

ACWA Spring Conference, May 3-6, Sacramento

ACWA Fall Conference, November 29 - December 2, Indian Wells

MEMORANDUM

DATE: October 25, 2021

TO: Finance Committee

cc: Friant Board of Directors

FROM: Toni Marie, Executive Secretary

SUBJECT: FINANCE COMMITTEE MEETING DATES FOR CALENDAR YEAR 2022

The Finance Committee meets the Monday of the 4th Thursday of the month (3 days prior to the Board of Directors meeting) at 1:30 p.m. except as noted. Below is a schedule showing dates, times and locations for the coming year:

Monday	January 24	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Tuesday*	February 22	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	March 21	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	April 25	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	May 23	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	June 20	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	July 25	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	August 22	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	September 19	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	October 24	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Monday	No Nov Mtg	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm
Tuesday**	December 6	1:30 p.m. – 3:00 p.m.	Held in Lindsay Conference Rm

*February 21 is President's Day.

**December's Board of Directors Meeting is scheduled for Friday, December 9, 2022.

Dates to Remember:

Mid-Pacific Regional Conference, January 19-21, Reno
 Family Farm Alliance Conference, February 24-25, Reno
 ACWA Spring Conference, May 3-6, Sacramento
 ACWA Fall Conference, November 29 - December 2, Indian Wells

Agenda Report

No. 2.C

DATE: December 10, 2021

TO: Board of Directors

FROM: Wilson Orvis, CFO

SUBJECT: Approve Bills for month of November and December and Accept Budget-to-Actuals and Cash Activity Reports for month ending October 2021

SUMMARY:

The Finance Committee met on December 7, 2021 and reviewed the bills for November and December 2021 and the Cash Activity Reports for October 2021. There was a quorum at the meeting.

FINANCE COMMITTEE ACTION:

At the December 7, 2021 meeting the Finance Committee acted to recommend that Board of Directors approve payment of the November 2021 bills in the amount of \$925,016.27, early December bills in the amount of \$661,543.25, and accept the Cash Activity Reports for October 2021.

SUGGESTED MOTION:

The Board of Directors approve payment of the November 2021 bills in the amount of \$925,016.27, early December bills in the amount of \$661,543.25, and accept the Cash Activity Reports for October 2021.

BUDGET IMPACT:

\$445,353.50 is chargeable to the FY 2022 Operations, Maintenance, and Replacement (OM&R) Budget; \$113,758.00 is chargeable to Middle Reach Capacity Correction Project (MRCCP); \$235,781.93 is chargeable to the FY 2022 GM Budget; and \$578,437.14 is chargeable to grant agreements. In addition, there were \$213,228.95 in payments to San Luis & Delta Mendota Water Authority, for forecasted Exchange Contractor deliveries for the month of December 2021.

ATTACHMENTS:

Friant Water Authority Bills to be Paid, Budget-to-Actuals, and Cash Activity Reports

FRIANT WATER AUTHORITY EXPENDITURES TO BE RATIFIED, NOVEMBER 2021

<u>PAYEE</u>	<u>O&M FUND</u>	<u>GM FUND</u>	<u>TOTAL</u>	<u>DESCRIPTION</u>
BILLS PAID NOVEMBER 10, 2021				
AAA TRUCK SERVICE, INC.	\$ 21.45	\$ -	\$ 21.45	Repair parts for dump truck
ABILITY	94.78	-	94.78	Water ops, canal alarm & answering service
ACCO CABLE SPLICING, INC.	140.73	-	140.73	Cable for buoy lines
ACCURATE MEASUREMENT SYS.	8,983.97	-	8,983.97	Replacement SMAR transmitters-4
ALLEGRETTO VINEYARD RESORT	14,573.79	14,573.79	29,147.58	BOD offsite planning meeting-motel & accommodations
ALTA OIL	44.35	-	44.35	Propane-14 gallons
AMAZON CAPITOL SERVICES, INC.	1,086.76	-	1,086.76	Office supplies
APPL LABS	735.00	-	735.00	Water analysis
AT&T	422.92	-	422.92	Telephone service
AUTO ZONE, INC.	145.32	-	145.32	Repair parts for pickup
AWARDS & SIGNS UNLIMITED	58.59	-	58.59	Name plates-2
BATTERY SYSTEMS INC.	280.61	-	280.61	Batteries-2
BENDPAC, INC.	25,413.89	-	25,413.89	Car lift & rolling jacks-1-OC yard & 1-Lindsay yard
BIG GREEN IT, LLC	62.00	-	62.00	IT security
BOOT BARN INC.	367.31	-	367.31	Safety boots-2 (\$87.31 reimbursable)
BORBA, ERIC L.	100.00	-	100.00	Expense claim reimbursement
BSE RENTS	158.31	-	158.31	Equipment rental and ready
CDW GOVERNMENT INC	2,199.27	-	2,199.27	Laptop docking stations-8
CITY OF DELANO	242.95	-	242.95	Utilities
CITY OF LINDSAY	331.46	-	331.46	Utilities
COASTLINE EQUIPMENT	122.21	-	122.21	Parts for JD case 570XLT
COMCAST	39.14	-	39.14	Internet-Sacramento
CRAIGS AUTO PARTS	310.50	-	310.50	Safety supplies
CULLIGAN	102.00	-	102.00	Water service-OC yard
CULLIGAN WATER CONDITION	63.36	-	63.36	Water service-OC yard
CUSTOM TRUCK ONE SOURCE, L.P.	2,828.39	-	2,828.39	Winch valve
DACO FARM SUPPLY	378.75	-	378.75	Hardware for Delano yard & reverse flow pumping (reimbursable)
DINUBA LUMBER COMPANY	685.43	-	685.43	Tools & hardware for OC yard
DOUG DeLEO WELDING	48.26	-	48.26	Welding shop supplies
EXECUTIVE SUITES AT RIVER BLUFF, LP	-	2,005.00	2,005.00	Rent-Fresno office
FASTENAL COMPANY	60.89	-	60.89	Mechanic-Lindsay shop
FOOTHILL AUTO TRUCK & AG PARTS, INC.	482.52	-	482.52	Supplies for OC yard
FRUIT GROWERS SUPPLY CO	189.39	-	189.39	Supplies for OC yard

FRIANT WATER AUTHORITY EXPENDITURES TO BE RATIFIED, NOVEMBER 2021

<u>PAYEE</u>	<u>O&M FUND</u>	<u>GM FUND</u>	<u>TOTAL</u>	<u>DESCRIPTION</u>
GRAINGER	393.88	-	393.88	OC yard supplies
GRAYBAR	10,231.53	-	10,231.53	Struct/gate parts & rev. flow pump-equip. rental (reimbursable)
GROSSMAYER & ASSOCIATES	1,822.50	-	1,822.50	Great Plains support
HOME DEPOT CREDIT SERVICES	2,439.04	-	2,439.04	Supplies for all yards
INTELLISITE, LLC	3,985.00	-	3,985.00	Quarterly maintenance-Water Ops
INTRADO ENTERPRISE COLLABORATION, INC.	101.07	21.88	122.95	Conference calls
JACK GRIGGS INC.	69.98	-	69.98	Propane-16.70 gallons
KAN VENTURES, INC.	6,000.00	8,237.67	14,237.67	Professional services-September
LINCOLN NATIONAL LIFE INSURANCE CO.	3,723.93	517.51	4,241.44	Life insurance premiums
LINDSAY TRUE VALUE	287.09	-	287.09	Routine supplies-all yards
MARRIOTT VISALIA	4,218.43	-	4,218.43	Board of Directors meeting
MARTIN TERMITE & PEST CONTROL	45.00	-	45.00	Pest control-Kaweah house
McCARTY, DEVLIN	86.50	-	86.50	Expense claim reimbursement
MID VALLEY DISPOSAL	155.11	-	155.11	Utilities
MONARCH FORD	26.10	-	26.10	Repair parts for pickup
MOONLIGHT MAINTENANCE SERVICES	1,885.00	-	1,885.00	Janitor service for all yards
NAPA AUTO PARTS	41.27	-	41.27	Repair parts for pickup
NUTRIEN AG SOLUTIONS	43,987.86	-	43,987.86	Direx-2,160 gallons
OFFICE DEPOT INC.	452.88	-	452.88	Office supplies
PACIFIC GAS & ELECTRIC	5,846.01	-	5,846.01	Utilities
PACIFIC GAS AND ELECTRIC	4,605.38	-	4,605.38	Power service to Poso Creek
PALM OCCUPATIONAL MEDICINE	760.00	-	760.00	Testing for herbicide application certification-7
PAPE KENWORTH	300.11	-	300.11	Repair parts for pickup
PBM SUPPLY & MFG., INC.	112.83	-	112.83	Repair parts for pickup
PBW DISTRIBUTOR INC	356.90	-	356.90	Mechanic-shop supplies Lindsay & Delano
PFM FINANCIAL ADVISORS LLC	3,250.00	-	3,250.00	Consulting services-September
PORTERVILLE LOCK & SAFE	32.61	-	32.61	Duplicate keys-Lindsay yard
PROBATA CORPORATION	463.50	-	463.50	Calibrate digital multimeter
PRUDENTIAL OVERALL SUPPLY	966.98	-	966.98	Uniform service for all yards
QUADIENT LEASING USA, INC.	114.15	-	114.15	Assessed tax-postage meter
QUILL CORPORATION	53.90	-	53.90	Office supplies
ROBERT V. JENSEN, INC.	3,212.69	-	3,212.69	Fuel-Lindsay yard
SAN JOAQUIN PAINT & GLASS	1,273.55	-	1,273.55	Paint supplies for Delano yard
SAN JOAQUIN VALLEY AIR	42.00	-	42.00	2021/22 annual permit to operate-Delano yard

FRIANT WATER AUTHORITY EXPENDITURES TO BE RATIFIED, NOVEMBER 2021

<u>PAYEE</u>	<u>O&M FUND</u>	<u>GM FUND</u>	<u>TOTAL</u>	<u>DESCRIPTION</u>
SENATOR SEAGATE, L.P.	-	3,708.19	3,708.19	Rent-Sacramento office
SEVIERS AUTO SUPPLY	603.56	-	603.56	Mechanic-shop supplies for Delano
SHOW OUR LOGO, INC.	2,474.47	1,892.33	4,366.80	FWA hats, T-shirts & etc. for BOD retreat & outreach
SMART & FINAL CORP	54.72	-	54.72	Supplies for Delano yard
SO CAL GAS	258.18	-	258.18	Utilities
SOMACH SIMMONS & DUNN	-	24,224.91	24,224.91	Professional services-August & September
SOUTHERN CALIF EDISON	4,504.52	-	4,504.52	Utilities
SP PLUS CORPORATION-HYATT	-	440.00	440.00	Parking-Sacramento (2)
SPARKLETTS	38.91	-	38.91	Water service-Lindsay office
STANDARD INSURANCE CO	6,783.52	1,767.80	8,551.32	Survivors life insurance
STOEL RIVES LLP	-	5,922.30	5,922.30	Professional service-September
STOP ALARM, INC.	18.50	-	18.50	Alarm-combination change
THE FERGUSON GROUP, LLC	8,400.00	5,877.89	14,277.89	Consulting services-August & September
THE REDESIGN GROUP	3,185.88	-	3,185.88	7mos. Cloud backup (\$1,685.88) & help desk (\$1,500 1month)
THE WILSON BOHANNAN CO	956.69	-	956.69	Security locks for FKC
TULARE COUNTY AGRICULTURAL	497.63	-	497.63	Squirrel bait-184 gas cart
UNITED STAFFING ASSOCIATES, LLC	1,836.00	-	1,836.00	Temporary office assistant
UNWIRED BROADBAND, INC.	299.98	-	299.98	Internet-Delano and OC yards
VALLEY IRON, INC.	1,626.81	-	1,626.81	Metal materials-OC yard
VALLEY PACIFIC PETROLEUM SERVICES, INC.	13,660.07	-	13,660.07	Fuel-Lindsay, Delano & OC yards
VAST NETWORKS	800.00	-	800.00	Internet-Lindsay
VERIZON WIRELESS	307.50	-	307.50	SCADA mobile to mobile
VILLINES GROUP, LLC	21,375.00	5,175.00	26,550.00	Consulting services-May,June,September & October
VISALIA RADIATOR SERVICE INC.	2,644.50	-	2,644.50	Radiator repairs-JD loader
WATER BLUEPRINT SJV-EDUCATION	-	10,000.00	10,000.00	Annual contribution 2021
WEISENBERGERS	381.70	-	381.70	Hardware-Lindsay and Water Ops
WORLD OIL ENVIRONMENTAL SERVICES	318.43	-	318.43	Removal for hazardous waste
XEROX FINANCIAL SERVICES	1,676.06	-	1,676.06	Lease agreement
ZENITH INSURANCE COMPANY	8,906.00	-	8,906.00	Workers compensation-November
BILLS PAID NOVEMBER 10, 2021	243,725.71	84,364.27	328,089.98	
BILLS TO BE PAID NOVEMBER 22, 2021				
ACWA / JPIA	78,833.29	6,801.41	85,634.70	Medical, dental, vision insurance
AMAZON CAPITOL SERVICES, INC.	31.48	-	31.48	Office supplies

FRIANT WATER AUTHORITY EXPENDITURES TO BE RATIFIED, NOVEMBER 2021

PAYEE	O&M FUND	GM FUND	TOTAL	DESCRIPTION
APPL LABS	367.50	-	367.50	Water analysis
BANK OF AMERICA	19,242.71	7,013.32	26,256.03	Various Visa charges
BOOT BARN INC.	52.32	-	52.32	Safety boots-1
CITY OF ORANGE COVE	433.88	-	433.88	Utilities
COMMUTER INDUSTRIES	-	600.00	600.00	October ewaterline design
DOUG DeLEO WELDING	106.40	-	106.40	Welding shop supplies
EXECUTIVE SUITES AT RIVER BLUFF, LP	-	59.35	59.35	Office supplies
GRAINGER	18.73	-	18.73	Shop supplies-OC
GSI ENVIRONMENTAL INC.	1,857.25	-	1,857.25	Preparation of subsidence monitoring plan
MICROSOFT	1,876.80	-	1,876.80	Office 365
MODERN PLUMBING & SUPPLY	185.00	-	185.00	Plumbing service-Tule house
OFFICE DEPOT INC.	278.48	-	278.48	Office supplies
ORANGE COVE TIRE SERVICE	389.27	-	389.27	Light tire (1) and repairs
PAESANO FARMS	16,434.00	-	16,434.00	Targeted grazing 27.39 acres
QUILL CORPORATION	54.41	-	54.41	Office supplies
RED WING BUSINESS ADVANTAGE	140.00	-	140.00	Safety boots-1
SAN JOAQUIN PAINT & GLASS	194.81	-	194.81	Paint supplies-Delano yard
SHOW OUR LOGO, INC.	341.92	-	341.92	FWA gift set for employee appreciation
SO CAL GAS	64.65	-	64.65	Utilities
SOMACH SIMMONS & DUNN	-	6,146.75	6,146.75	Professional services-October
SPARKLETTS	39.91	-	39.91	Water service-Kings River house
SUNBELT RENTALS	4,634.16	-	4,634.16	Equipment rental-reimbursable
TOSHIBA FINANCIAL SERIVICES	296.72	-	296.72	Lease agreement
TULARE COUNTY AGRICULTURAL	497.63	-	497.63	Squirrel bait-184 cartridges
UNITED STAFFING ASSOCIATES, LLC	969.00	-	969.00	Temporary office assistant
VALLEY PACIFIC PETROLEUM SERVICES, INC.	6,200.13	-	6,200.13	Fuel-Lindsay & Delano yard
VERIZON WIRELESS	2,847.30	-	2,847.30	Cell phone charges
BILLS TO BE PAID NOVEMBER 22, 2021	136,387.75	20,620.83	157,008.58	
BILLS PAID NOVEMBER 10, 2021	243,725.71	84,364.27	328,089.98	
SUB-TOTAL SPENDING FOR NOVEMBER 2021	380,113.46	104,985.10	485,098.56	
CHECKS TO BE RECOVERED VIA GRANT(S)	112,930.76	-	112,930.76	
TOTAL FOR FWA O&M	493,044.22	104,985.10	598,029.32	
<i>San Luis Delta-Mendota Canal:</i>				

Note: Approximately \$13,152 of reverse flow pumping costs will be recovered from Kern-Tulare & Delano Earlimart and

FRIANT WATER AUTHORITY EXPENDITURES TO BE RATIFIED, NOVEMBER 2021

<u>PAYEE</u>	<u>O&M FUND</u>	<u>GM FUND</u>	<u>TOTAL</u>	<u>DESCRIPTION</u>
O&MR CHARGES - PAID VIA WIRE	213,228.95	-	213,228.95	December 2021 estimate
<i>Subtotal - SLDMWA</i>	<i>213,228.95</i>	<i>-</i>	<i>213,228.95</i>	
<i>Middle Reach Capacity Correction Project</i>				
SAN JOAQUIN VALLEY UNIFIED	101,908.00	-	101,908.00	Air Quality Mitigation Measure ***
KAN VENTURES, INC.	6,000.00	-	6,000.00	Professional services-September
VILLINES GROUP, LLC	5,850.00	-	5,850.00	Consulting services-May,June,September & October
<i>Subtotal - MRCCP</i>	<i>113,758.00</i>	<i>-</i>	<i>113,758.00</i>	
GRAND TOTALS	\$ 820,031.17	\$ 104,985.10	\$ 925,016.27	

*** Voluntary Emission Reduction Agreements: A Voluntary Emission Reduction Agreement is an air quality mitigation measure by which a developer can voluntarily enter into a contractual agreement with the District to mitigate a development project's impact on air quality, going beyond reductions achieved by compliance with District Rule 9510.

FRIANT WATER AUTHORITY EXPENDITURES TO BE RATIFIED, NOVEMBER 2021***GRANTS***

PAYEE	Pump Back	Winn/SJRRP	TOTAL	DESCRIPTION
STANTEC CONSULTING SERVICES INC.		\$ 112,930.76	\$ 112,930.76	Consulting services-June
BILLS PAID NOVEMBER 10, 2021	\$ -	\$ 112,930.76	\$ 112,930.76	
BILLS TO BE PAID NOVEMBER 22, 2021	\$ -	\$ -	\$ -	
GRAND TOTALS	\$ -	\$ 112,930.76	\$ 112,930.76	

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, DECEMBER 2021

<u>PAYEE</u>	<u>O&M FUND</u>	<u>GM FUND</u>	<u>TOTAL</u>	<u>DESCRIPTION</u>
<u>BILLS PAID DECEMBER 10, 2021</u>				
AMAZON CAPITOL SERVICES, INC.	\$ 128.26	\$ -	\$ 128.26	Office supplies
APPL LABS	367.50	-	367.50	Water analysis
AUTO ZONE, INC.	30.46	-	30.46	Repair parts for OC pickup
BATTERY SYSTEMS INC.	671.70	-	671.70	Batteries-4
CALIFORNIA COMPUFORMS	236.59	-	236.59	Business cards-3 employees
BURKE, WILLIAMS & SORESENSEN, LLP	42,870.28	3,550.00	46,420.28	Professional services-September & October
CALIFORNIA DEPART. OF TAX AND FEE ADMIN.	-	74,999.01	74,999.01	Annual water permit cost-sep
COMCAST	154.96	-	154.96	Internet-Sacramento office
DELANO CHEVROLET	37.81	-	37.81	Repair parts for pickup
DINUBA LUMBER COMPANY	581.67	-	581.67	Hardware for OC yard
DONALD M. DAVIS	897.00	-	897.00	Sept Travel WQ meeting, Oct BOD meeting & Nov BOD offsite
ENCHOICE	3,000.00	-	3,000.00	Kwik Tags upgrade-Annual
EXECUTIVE SUITES AT RIVER BLUFF, LP	-	2,005.00	2,005.00	Rent-Fresno office
FOOTHILL AUTO TRUCK & AG PARTS, INC.	1,000.74	-	1,000.74	Supplies for OC yard
FRONTIER	973.40	-	973.40	Telephone service-Lindsay
FRUIT GROWERS SUPPLY CO	218.11	-	218.11	Supplies for OC yard
GRAYBAR	558.05	-	558.05	Supplies for Water Ops
HOME DEPOT CREDIT SERVICES	2,749.54	-	2,749.54	Supplies for all yards
LEE'S SERVICE, INC.	24.90	-	24.90	Flat repair and service
MERLE STONE CHEVROLET CADILLAC	123.63	-	123.63	Repair parts for Delano pickup
MOONLIGHT MAINTENANCE SERVICES	1,885.00	-	1,885.00	Janitor service for all yards
OFFICE DEPOT INC.	87.96	17.36	105.32	Office supplies
PORTERVILLE FORD	77.50	-	77.50	Brake pads for Delano pickup
POWER BUSINESS TECHNOLOGY	151.09	-	151.09	Lease agreement
PRUDENTIAL OVERALL SUPPLY	1,808.94	-	1,808.94	Uniform service for all yards
PSW	40.00	-	40.00	Confidential shredding service
QUILL CORPORATION	73.15	-	73.15	Office supplies
SAN JOAQUIN PEST CONTROL	90.00	-	90.00	Pest service-Lindsay yard
SAN JOAQUIN PEST CONTROL	92.00	-	92.00	Pest service-OC yard
SAN JOAQUIN PEST CONTROL	42.00	-	42.00	Pest service-Delano yard
SENATOR SEAGATE, L.P.	-	3,708.19	3,708.19	Rent-Sacramento office
SMART & FINAL CORP	106.28	-	106.28	Supplies for OC yard
SOUTHERN CALIF EDISON	740.08	-	740.08	Utilities
SP PLUS CORPORATION-HYATT	-	400.00	400.00	Parking-Sacramento (2)
SPARKLETTS	92.82	-	92.82	Water service-Lindsay
STANTEC CONSULTING SERVICES INC.	1,850.00	-	1,850.00	Consulting service-September & October
STOEL RIVES LLP	-	3,975.90	3,975.90	Professional services-October

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, DECEMBER 2021

<u>PAYEE</u>	<u>O&M FUND</u>	<u>GM FUND</u>	<u>TOTAL</u>	<u>DESCRIPTION</u>
THE FERGUSON GROUP, LLC	-	276.73	276.73	Consulting expenses-June, july
THE REDESIGN GROUP	1,500.00	-	1,500.00	Contract management
TOSHIBA FINANCIAL SERIVICES	862.64	-	862.64	Lease agreement
UNITED STAFFING ASSOCIATES, LLC	816.00	-	816.00	Temporary Office Assistant
UNWIRED BROADBAND, INC.	299.98	-	299.98	Internet-OC and Delano yards
WATER AND POWER LAW GROUP PC	-	41,864.64	41,864.64	Professional services-October & November
TOTAL	65,240.04	\$ 130,796.83	196,036.87	
TOTAL FROM GRANTS	465,506.38		465,506.38	
Total for FWA	\$ 530,746.4	\$ 130,796.8	\$ 661,543.25	

FRIANT WATER AUTHORITY EXPENDITURES TO BE APPROVED, DECEMBER 2021

BILLS PAID DECEMBER 10, 2021

GRANTS

PAYEE	Pump Back	Winn/SJRRP	TOTAL	DESCRIPTION
STANTEC CONSULTING SERVICES INC.	\$ 61,326.60	\$ 236,034.18	\$ 297,360.78	Consulting service-September & October
BENDER ROSENTHAL INCORPORATED		113,578.76	113,578.76	Consulting service-August, September & October
BURKE, WILLIAMS & SORENSEN, LLP		54,566.84	54,566.84	Professional services-September & October
Grand total to be Ratified	\$ 61,326.60	\$ 404,179.78	\$ 465,506.38	

FRIANT WATER AUTHORITY

CASH ACTIVITY BALANCE MONTH ENDING OCTOBER 31, 2021

	Beginning Balance	Increases	Decreases	Ending Balance
FKC Operations & Maintenance	\$ 11,574,713	\$ 1,561,786	\$ (3,090,848)	\$ 10,045,651
SLDMWA	\$ 3,655,422	\$ 1,827,504	\$ (1,805,450)	\$ 3,677,476
Total	\$ 15,230,135	\$ 3,389,290	\$ (4,896,298)	\$ 13,723,127
General Member	\$ 944,011	\$ -	\$ (130,487)	\$ 813,524
			Total	\$ 14,536,651

BANK ACTIVITY BALANCE MONTH ENDING OCTOBER 31, 2021

Local Agency Investment Fund	\$ 14,276,795	\$ 7,331	\$ -	\$ 14,284,126
Bank of the Sierra	\$ 1,897,350	\$ 3,381,959	\$ (5,026,784)	\$ 252,525
			Total	\$ 14,536,651

NOTE: Cash on deposit with LAIF represents the consolidation of available balances held by all FWA funds. Most Current Interest Rate: For month ended October 31, 2021 , effective yield, 0.203%

Total LAIF fund as of October 31, 2021: \$35,285,206,446.30

The Authority's investments are in compliance with its Statement of Investment Policy dated July 22, 2004.

Management believes it is fully able to meet its expenditure requirements for the next six months.

FRIANT A1 WATER AUTHORITY
O&M FUND
CASH ACTIVITY REPORT
MONTH ENDING OCTOBER 31, 2021

	<u>Checking & Investments</u>	<u>Payroll Checking</u>	<u>Petty Cash</u>	<u>Total</u>
CASH BALANCE SEPTEMBER 30, 2021	\$ 15,229,341	\$ -	\$ 794	\$ 15,230,135
Increases:				
District O&M receipts	1,021,304			1,021,304
SLDMWA receipts	1,813,169			1,813,169
Deposit - Non-Project Wutchumna	11,971			11,971
Revenue from MRCCP	521,205			521,205
Miscellaneous deposits	2,179			2,179
Other Funds:				
Administration Allocation	19,462			19,462
Payroll deposits		362,044		362,044
Total Increases	<u>3,389,290</u>	<u>362,044</u>	<u>-</u>	<u>3,751,334</u>
Decreases:				
O&M Expenditures	2,377,885			2,377,885
Pump Back Project Expenditures	77,864			77,864
Subsidence Project Expenditures	474,606			474,606
Wire to SLDMWA - Estimated water usage - Nov. Estimate	880,746			880,746
Wire to SLDMWA - JPP Rewind Project - 3rd Payment	701,919			701,919
Retirement Matching	21,435			21,435
Bank charges	20			20
Bank interest	(220)			(220)
Payroll Cash Outlays	362,044	362,044		724,088
Total Decreases	<u>4,896,298</u>	<u>362,044</u>	<u>-</u>	<u>5,258,341</u>
CASH BALANCE BEFORE INTERFUND ACTIVITY	<u>13,722,333</u>	<u>-</u>	<u>794</u>	<u>13,723,127</u>
Interfund transfer from O&M	-			-
CASH BALANCE OCTOBER 31, 2021	<u>\$ 13,722,333</u>	<u>\$ -</u>	<u>\$ 794</u>	<u>\$ 13,723,127</u>

**FRIANT WATER AUTHORITY
GENERAL MEMBERS FUND
CASH ACTIVITY REPORT
MONTH ENDING OCTOBER 31, 2021**

CASH BALANCE SEPTEMBER 30, 2021		<u>\$ 944,011</u>
Increases:		
Member Assessments	<u>-</u>	
Total Cash Receipts		<u>\$ -</u>
Decreases:		
Conference Calls - service	1,187	
Consulting	42,246	
Meetings	4,251	
Professional Services	2,976	
Rent & Facility Expense	6,153	
Membership dues	1,080	
Ewaterline and podcast	1,275	
Other Payroll Benefits	<u>10,326</u>	
	69,495	
Reimburse O&M:		
Current Month Payroll & Benefits	93,682	
Current Month Payroll & Benefits to O&M	(52,152)	
Administration Allocation	<u>19,462</u>	
Less Total Cash Disbursements		<u>\$ 130,487</u>
CASH BALANCE BEFORE INTERFUND ACTIVITY		<u><u>\$ 813,524</u></u>
Interfund transfer from O&M		\$ -
CASH BALANCE OCTOBER 31, 2021		<u><u>\$ 813,524</u></u>

FRIANT WATER AUTHORITY
MONTH ENDING OCTOBER 31, 2021
CASH ACTIVITY REPORT

LOCAL AGENCY INVESTMENT FUND (L.A.I.F.)
(FUNDS ON DEPOSIT WITH STATE OF CALIFORNIA)
CASH ACTIVITY REPORT

CASH BALANCE SEPTEMBER 30, 2021	\$	14,276,795
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Increases:

Interest earned	\$	7,331
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Decreases:

Transfer to checking	\$	-
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CASH BALANCE OCTOBER 31, 2021	\$	14,284,126
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Balance ascribed to:

O&M Fund	\$	13,484,734
General Member Fund	\$	799,392
	\$	14,284,126

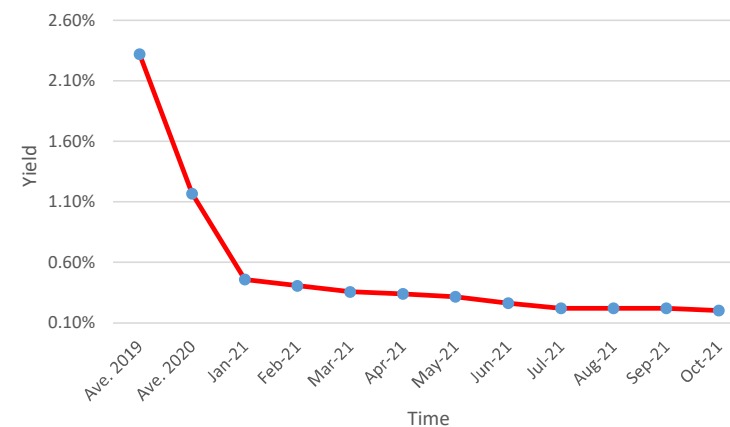
NOTE: Cash on deposit with LAIF represents the consolidation of available balances held by all FWA funds. Most Current Interest Rate: For month ended October 31, 2021 , effective yield, 0.203%

Total LAIF fund as of October 31, 2021: \$35,285,206,446.30

The Authority's investments are in compliance with its Statement of Investment Policy dated July 22, 2004.

Management believes it is fully able to meet its expenditure requirements for the next six months.

LAIF Yield Trends



Ave. 2019	2.32%
Ave. 2020	1.17%
Jan-21	0.46%
Feb-21	0.41%
Mar-21	0.36%
Apr-21	0.34%
May-21	0.32%
Jun-21	0.26%
Jul-21	0.22%
Aug-21	0.22%
Sep-21	0.22%
Oct-21	0.20%

FWA Budget Presentation

FY 2021 - 2022

Budget year: **8.3%** Completed

Operations & Maintenance	FY 2022 Budget	10/31/2021 Year to Date	Budget Remaining	Budget Spent %
Operations Dept				
Employee Salaries/Pay	781,755	71,550	710,204	9.2%
Employee Benefits	411,777	43,929	367,849	10.7%
Supplies & Services	667,537	10,396	657,140	1.6%
Total Operations	1,861,068	125,875	1,735,193	6.8%
Maintenance Dept				
Employee Salaries/Pay	2,190,920	145,353	2,045,567	6.6%
Employee Benefits	1,117,473	79,191	1,038,281	7.1%
Supplies & Services	2,497,783	102,905	2,394,878	4.1%
Total Maintenance	5,806,175	327,449	5,478,727	5.6%
Administration Costs	2,190,549	333,983	1,856,566	15.2%
Administration Costs allocated to GM	(239,477)	(19,462)	(220,015)	8.1%
Total Operations & Maintenance	9,618,317	767,846	8,850,471	8.0%

Special Projects				
Cost Recovery	-	(613,404)	613,404	
Spending	387,204	649,127	(261,923)	167.6%
Total Special Projects	387,204	35,724	351,480	9.2%
Total O&MR	10,005,521	803,569	9,201,951	8.0%

General Member	FY 2022 Budget	10/31/2021 Year to Date	FY 2022 Remaining	Budget spent %
Employee Salaries/Pay with Benefits	725,000	44,509	680,491	6.1%
Other supplies and services	310,000	8,878	301,122	2.9%
Admin Allocation to GM	212,500	19,462	193,038	9.2%
General Counsel	12,500	-	12,500	0.0%
Outside Legal Consultants	609,000	6,147	602,853	1.0%
Other Consultants	706,000	(31,803)	737,803	-4.5%
Total General Member	2,575,000	47,193	2,527,807	1.8%

FWA Revenue Presentation

FY 2021 - 2022

Budget year:

8.3%

Completed

Operations & Maintenance	FY 2022 Budget	10/31/2021 Year to Date	Budget Remaining
Revenue			
Interest Income	40,000	220	39,780
Miscellaneous Income	-	3,005	(3,005)
Reverse Pumping Fee	-	-	-
Conveyance Fees		11,971	(11,971)
Federal Grant Revenue	-	617,104	(617,104)
O & M Revenue	10,005,520	833,793	9,171,727
Water Supply Cord./Monitoring Revenue		2,969	(2,969)
Total Revenue	10,045,520	1,469,063	8,576,457
Expenses			
Total Operations	1,861,068	125,875	1,735,193
Total Maintenance	5,806,175	327,449	5,478,727
Administration Costs	1,951,073	314,522	1,636,551
Special Projects	387,204	649,127	(261,923)
Total O&MR Expenses	10,005,521	1,416,973	8,588,548

General Member	FY 2022 Budget	10/31/2021 Year to Date	FY 2022 Remaining
Revenue			
Interest Income	-	-	-
GM Revenue	2,563,000	-	2,563,000
NASA Airborne Snow Observatory	-	-	-
Associate Dues	12,000	-	12,000
Total Revenue	2,575,000	-	2,575,000
Total GM Expenses	2,575,000	47,193	2,527,807

Friant Water Authority
Budget vs Actual Expenses
YTD - 10/31/2021

Friant Water Authority Budget vs Actual Expenses YTD - 10/31/2021	Budget year: 8.3% Completed											
	Total				Labor				Materials			
	Annual Budget	YTD Actual	% Of Bud	Projected Remaining	Budget	YTD Actual		Projected Remaining	Budget	YTD Actual		Projected Remaining
MAINTENANCE												
Vehicle & Equipment Service	\$ 631,716	\$ 33,203	5.3%	\$ 598,514	\$ 217,057	\$ 10,037	4.6%	\$ 207,020	\$ 414,659	\$ 23,166	5.6%	\$ 391,493
Maintenance Supervision	322,177	22,553	7.0%	299,624	322,177	22,553	7.0%	299,624	-	-	0.0%	-
USBR Inspections	-	15	0.0%	(15)	-	-	0.0%	-	-	15	0.0%	(15)
Right-of-Way Management	55,437	5,301	9.6%	50,136	55,437	5,301	9.6%	50,136	-	-	0.0%	-
Weed & Pest Control	718,198	69,830	9.7%	648,368	350,719	24,880	7.1%	325,839	367,479	44,950	12.2%	322,529
Implem Biol. Opinion	21,000	-	0.0%	21,000	-	-	0.0%	-	21,000	-	0.0%	21,000
Road Maintenance	157,909	1,362	0.9%	156,547	36,983	1,263	3.4%	35,720	120,926	99	0.1%	120,827
Yard & Building Maintenance	255,603	30,604	12.0%	224,999	86,578	20,985	24.2%	65,593	169,026	9,620	5.7%	159,406
Structure & Gate Maintenance	94,389	3,389	3.6%	91,000	72,322	3,074	4.3%	69,248	22,067	314	1.4%	21,752
Cleaning Right-of-Way	87,324	2,799	3.2%	84,524	87,324	2,799	3.2%	84,524	-	-	0.0%	-
Bargate & Guardrail Maint	56,036	3,382	6.0%	52,654	34,893	3,313	9.5%	31,579	21,143	69	0.3%	21,075
Embankment Maintenance	84,962	41,179	48.5%	43,783	70,354	7,663	10.9%	62,690	14,608	33,516	229.4%	(18,908)
Bridge Maintenance	69,854	1,315	1.9%	68,539	35,351	1,315	3.7%	34,037	34,502	-	0.0%	34,502
Miscellaneous Maintenance	13,165	2,455	18.7%	10,709	4,528	-	0.0%	4,528	8,637	2,455	28.4%	6,181
Reverse Flow Pumping	-	353	0.0%	(353)	-	-	0.0%	-	-	353	0.0%	(353)
Concrete Lining Maintenance	15,253	1,377	9.0%	13,876	6,651	1,377	20.7%	5,275	8,602	-	0.0%	8,602
Drainditch & Channel Maint.	50,576	4,358	8.6%	46,218	50,576	4,358	8.6%	46,218	-	-	0.0%	-
Fence Maintenance	50,718	3,248	6.4%	47,469	39,737	1,996	5.0%	37,741	10,980	1,252	11.4%	9,728
Mudjacking	18,713	-	0.0%	18,713	17,087	-	0.0%	17,087	1,626	-	0.0%	1,626
Painting	44,161	1,495	3.4%	42,665	32,680	-	0.0%	32,680	11,481	1,495	13.0%	9,986
Sump Pump Maintenance	1,053	-	0.0%	1,053	1,053	-	0.0%	1,053	-	-	0.0%	-
Cross Drainage Structure Mtce	1,053	-	0.0%	1,053	1,053	-	0.0%	1,053	-	-	0.0%	-
Rip-Rapping	936	-	0.0%	936	936	-	0.0%	936	-	-	0.0%	-
Operations Supervision	-	2,710	0.0%	(2,710)	-	2,710	0.0%	(2,710)	-	-	0.0%	-
Water supply coordination & monitoring	474,536	-	0.0%	474,536	94,022	-	0.0%	94,022	380,514	-	0.0%	380,514
Water Quality	40,203	-	0.0%	40,203	10,203	-	0.0%	10,203	30,000	-	0.0%	30,000
Safety & First Aid Training	41,775	2,150	5.1%	39,625	21,310	283	1.3%	21,027	20,465	1,867	9.1%	18,598
Office Admin (Typing etc.)	58,076	-	0.0%	58,076	58,076	-	0.0%	58,076	-	-	0.0%	-
Payroll Preparation	841	31	3.7%	810	841	31	3.7%	810	-	-	0.0%	-
Meetings (General)	33,305	1,365	4.1%	31,940	21,845	1,353	6.2%	20,492	11,460	12	0.1%	11,448
Meetings (Board of Directors)	139,734	-	0.0%	139,734	61,264	-	0.0%	61,264	78,470	-	0.0%	78,470
Meetings (Sub Committee)	63,715	365	0.6%	63,350	62,961	365	0.6%	62,596	754	-	0.0%	754
Meetings (Staff)	9,872	312	3.2%	9,560	8,730	273	3.1%	8,457	1,142	38	3.4%	1,104
Education & Training	62,209	250	0.4%	61,959	36,313	-	0.0%	36,313	25,896	250	1.0%	25,646
Procurement	4,721	-	0.0%	4,721	4,721	-	0.0%	4,721	-	-	0.0%	-
Inventory & Property Mgt.	-	521	0.0%	(521)	-	521	0.0%	(521)	-	-	0.0%	-
Employee Benefit (Holiday)	72,180	-	0.0%	72,180	72,180	-	0.0%	72,180	-	-	0.0%	-
Employee Benefit (Sick Pay)	98,828	14,881	15.1%	83,947	98,828	14,881	15.1%	83,947	-	-	0.0%	-
Employee Benefit (Vacation)	103,901	14,021	13.5%	89,881	103,901	14,021	13.5%	89,881	-	-	0.0%	-
Employee Benefit (Jury Duty)	-	-	0.0%	-	-	-	0.0%	-	-	-	0.0%	-
Travel	29,789	-	0.0%	29,789	-	-	0.0%	-	29,789	-	0.0%	29,789
Personnel Administration	8,851	-	0.0%	8,851	7,908	-	0.0%	7,908	943	-	0.0%	943
Retirement, Health Ins, PR Taxes	842,564	50,290	6.0%	792,274	-	-	0.0%	-	842,564	50,290	6.0%	792,274
Workers Comp. Insurance	53,157	4,493	8.5%	48,664	-	-	0.0%	-	53,157	4,493	8.5%	48,664
Legal Expense-Indirect	45,000	-	0.0%	45,000	-	-	0.0%	-	45,000	-	0.0%	45,000
Utilities	84,793	7,441	8.8%	77,352	-	-	0.0%	-	84,793	7,441	8.8%	77,352
Telephone Expense	-	399	0.0%	(399)	-	-	0.0%	-	-	399	0.0%	(399)
Merit Awards	914	-	0.0%	914	-	-	0.0%	-	914	-	0.0%	914
Dues & Subscriptions	18,323	-	0.0%	18,323	-	-	0.0%	-	18,323	-	0.0%	18,323
Budget Preparation	4,536	-	0.0%	4,536	1,386	-	0.0%	1,386	3,150	-	0.0%	3,150
Archiving & Data Storage	4,076	-	0.0%	4,076	2,934	-	0.0%	2,934	1,142	-	0.0%	1,142
Vehicle & Equipment Acquisition	760,044	-	0.0%	760,044	-	-	0.0%	-	760,044	-	0.0%	760,044
TOTAL EXPENSES: MAINTENANCE	5,806,175	327,449	5.6%	5,478,727	2,190,920	145,353	6.6%	2,045,567	3,615,256	182,096	5.0%	3,433,160

Friant Water Authority
Budget vs Actual Expenses
YTD - 10/31/2021

Friant Water Authority Budget vs Actual Expenses YTD - 10/31/2021	Budget year: 8.3% Completed												
	Total				Labor			Materials					
	Annual Budget	YTD Actual	% Of Bud	Projected Remaining	Budget	YTD Actual	Projected Remaining	Budget	YTD Actual	Projected Remaining	Budget	YTD Actual	Projected Remaining
WATER OPERATIONS													
Vehicle & Equipment Service	\$ 1,084	\$ -	0.00%	\$ 1,084	\$ -	\$ -	0.00%	\$ -	\$ 1,084	\$ -	0.00%	\$ 1,084	
Yard & Building Maintenance	88,394	13,202	14.93%	75,193	24,590	-	0.00%	24,590	63,805	13,202	20.69%	50,603	
Structure & Gate Maintenance	281,624	9,092	3.23%	272,532	72,596	5,926	8.16%	66,671	209,028	3,167	1.51%	205,862	
Cleaning Right-of-Way	1,230	44	3.55%	1,186	-	44	0.00%	(44)	1,230	-	0.00%	1,230	
Bargate & Guardrail Maint	5,740	-	0.00%	5,740	-	-	0.00%	-	5,740	-	0.00%	5,740	
Reverse Flow Pump	-	8,165	0.00%	(8,165)	-	-	0.00%	-	-	8,165	0.00%	(8,165)	
Sump Pump Maintenance	29,744	-	0.00%	29,744	-	-	0.00%	-	29,744	-	0.00%	29,744	
C & I General Mtce	17,651	-	0.00%	17,651	14,810	-	0.00%	14,810	2,841	-	0.00%	2,841	
C. & I. Maint (ESI Equipment)	293,704	6,692	2.28%	287,011	77,305	4,171	5.40%	73,134	216,399	2,521	1.17%	213,878	
Meter Repair	147,347	1,947	1.32%	145,401	63,431	1,483	2.34%	61,948	83,916	464	0.55%	83,453	
Canal Patrol	274,453	21,586	7.87%	252,867	273,521	21,586	7.89%	251,936	932	-	0.00%	932	
Operations Reports	59,627	9,354	15.69%	50,273	57,283	9,354	16.33%	47,930	2,343	-	0.00%	2,343	
Operations Supervision	75,489	6,100	8.08%	69,388	75,489	6,100	8.08%	69,388	-	-	0.00%	-	
Water Measurement	14,938	1,182	7.91%	13,756	6,986	1,182	16.92%	5,804	7,952	-	0.00%	7,952	
Miscellaneous Operations	9,112	-	0.00%	9,112	-	-	0.00%	-	9,112	-	0.00%	9,112	
Groundwater & Seepage Well Measurement	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%	-	
Safety & First Aid Training	10,039	240	2.39%	9,799	3,074	-	0.00%	3,074	6,965	240	3.45%	6,725	
Meetings (General)	1,341	-	0.00%	1,341	1,341	-	0.00%	1,341	-	-	0.00%	-	
Meetings (Staff)	3,493	-	0.00%	3,493	3,493	-	0.00%	3,493	-	-	0.00%	-	
Education & Training	23,961	-	0.00%	23,961	4,052	-	0.00%	4,052	19,910	-	0.00%	19,910	
Employee Benefit (Holiday)	25,075	-	0.00%	25,075	25,075	-	0.00%	25,075	-	-	0.00%	-	
Employee Benefit (Sick Pay)	33,434	14,679	43.90%	18,755	33,434	14,679	43.90%	18,755	-	-	0.00%	-	
Employee Benefit (Vacation)	45,275	7,027	15.52%	38,248	45,275	7,027	15.52%	38,248	-	-	0.00%	-	
Employee Benefit (Jury Duty)	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%	-	
Retirement, Health Ins, PR Taxes	307,993	22,223	7.2%	285,770	-	-	0.0%	-	307,993	22,223	7.2%	285,770	
Workers Comp. Insurance	27,646	2,742	9.92%	24,903	-	-	0.00%	-	27,646	2,742	9.92%	24,903	
Utilities	32,093	635	1.98%	31,458	-	-	0.00%	-	32,093	635	1.98%	31,458	
Telephone Expense	-	967	0.00%	(967)	-	-	0.00%	-	-	967	0.00%	(967)	
Vehicle & Equipment Acquisition	50,580	-	0.00%	50,580	-	-	0.00%	-	50,580	-	0.00%	50,580	
TOTAL EXPENSES: WATER OPERATIONS	\$ 1,861,068	\$ 125,875	6.8%	\$ 1,735,193	\$ 781,755	\$ 71,550	9.2%	\$ 710,204	\$ 1,079,314	\$ 54,325	5.0%	\$ 1,024,989	

Friant Water Authority
Budget vs Actual Expenses
YTD - 10/31/2021

	Budget year: 8.3% Completed											
	Total				Labor				Materials			
	Annual Budget	YTD Actual	% Of Bud	Projected Remaining	Budget	YTD Actual	Projected Remaining	Budget	YTD Actual	Projected Remaining	Budget	YTD Actual
ADMINISTRATION												
C. & I. Maint (ESI Equipment)	\$ 26,346	\$ 1,735	6.58%	\$ 24,611	\$ 26,346	\$ 1,735	6.58%	\$ 24,611	\$ -	\$ -	0.00%	\$ -
Maintenance Supervision	-	10,595	0.00%	(10,595)	-	10,595	0.00%	(10,595)	-	-	0.00%	-
Water supply coordination & monitoring	14,425	19,616	135.99%	(5,191)	17,660	17,838	101.01%	(178)	(3,235)	1,778	-54.95%	(5,013)
Legal Expense - Direct	31,500	-	0.00%	31,500	-	-	0.00%	-	31,500	-	0.00%	31,500
Administrative Supervision	13,173	1,360	10.32%	11,813	13,173	1,360	10.32%	11,813	-	-	0.00%	-
Safety & First Aid Training	41,781	7,477	17.90%	34,304	-	2,533	0.00%	2,533	39,248	7,477	19.05%	31,771
Office Admin (Typing etc.)	91,066	14,747	16.19%	76,319	91,066	14,747	16.19%	76,319	-	-	0.00%	-
Payroll Preparation	9,211	1,117	12.13%	8,094	-	9,211	12.13%	8,094	-	-	0.00%	-
Meetings (General)	22,444	2,618	11.67%	19,825	18,244	2,590	14.20%	15,654	4,200	29	0.68%	4,172
Meetings (Board of Directors)	20,332	4,350	21.39%	15,982	20,332	-	0.00%	20,332	-	4,350	0.00%	(4,350)
Meetings (Sub Committee)	50,863	3,561	7.00%	47,302	20,921	3,461	16.54%	17,460	29,941	100	0.33%	29,841
Meetings (Staff)	17,347	5,826	33.59%	11,521	14,830	5,826	39.29%	9,004	2,517	-	0.00%	2,517
BOD-Offsite Meeting	-	5,530	0.00%	(5,530)	-	2,538	0.00%	(2,538)	-	2,991	0.00%	(2,991)
Education & Training	43,389	2,050	4.72%	41,339	15,630	2,011	12.87%	13,619	27,758	39	0.14%	27,719
Miscellaneous Administrative	291	9,004	3090.66%	(8,713)	291	-	0.00%	291	-	9,004	0.00%	(9,004)
Inventory & Property Mgt.	12,851	273	2.12%	12,578	12,851	273	2.12%	12,578	-	-	0.00%	-
Employee Benefit (Holiday)	29,672	-	0.00%	29,672	29,672	-	0.00%	29,672	-	-	0.00%	-
Employee Benefit (Sick Pay)	39,563	5,573	14.09%	33,990	39,563	5,573	14.09%	33,990	-	-	0.00%	-
Employee Benefit (Vacation)	42,639	8,637	20.26%	34,002	42,639	8,637	20.26%	34,002	-	-	0.00%	-
Employee Benefit (Jury Duty)	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%	-
Data Processing	235,986	13,124	5.56%	222,862	25,940	3,307	12.75%	22,633	210,046	9,817	4.67%	200,229
Travel	58,787	4,998	8.50%	53,789	-	-	0.00%	-	58,787	4,998	8.50%	53,789
Accounting & Auditing	374,796	26,085	6.96%	348,711	347,796	26,085	7.50%	321,711	27,000	-	0.00%	27,000
Personnel Administration	136,555	5,446	3.99%	131,109	66,066	5,271	7.98%	60,795	70,489	175	0.25%	70,314
Retirement, Health Ins, PR Taxes	374,064	44,656	11.94%	329,407	-	-	0.00%	-	374,064	44,656	11.94%	329,407
Liability Insurance	162,146	129,841	80.08%	32,306	-	-	0.00%	-	162,146	129,841	80.08%	32,306
Workers Compensation Insurance	8,764	352	4.02%	8,412	-	-	0.00%	-	8,764	352	4.02%	8,412
Utilities	120,364	-	0.00%	120,364	-	-	0.00%	-	120,364	-	0.00%	120,364
Office Supplies	35,288	815	2.31%	34,473	-	-	0.00%	-	35,288	815	2.31%	34,473
Employee Incentives & Awards	30,927	-	0.00%	30,927	-	-	0.00%	-	30,927	-	0.00%	30,927
Postage	5,287	240	4.55%	5,046	-	-	0.00%	-	5,287	240	4.55%	5,046
Dues & Subscriptions	59,765	837	1.40%	58,928	-	-	0.00%	-	59,765	837	1.40%	58,928
Budget Preparation	6,181	25	0.40%	6,156	6,181	25	0.40%	6,156	-	-	0.00%	-
Achieving & Data Storage	11,064	-	0.00%	11,064	11,064	-	0.00%	11,064	-	-	0.00%	-
Lease office equipment	35,138	3,496	9.95%	31,642	-	-	0.00%	-	35,138	3,496	9.95%	31,642
Vehicle & Equipment Acquisition	28,547	-	0.00%	28,547	-	-	0.00%	-	28,547	-	0.00%	28,547
Admin Reimb - GM Fund	(239,477)	(19,462)	8.13%	(220,015)	-	-	0.00%	-	(239,477)	(19,462)	8.13%	(220,015)
TOTAL EXPENSES: ADMINISTRATION	\$ 1,951,073	\$ 314,522	16.1%	\$ 1,636,551	\$ 832,009	\$ 112,989	13.6%	\$ 719,020	\$ 1,119,064	\$ 201,533	18.0%	\$ 917,531

O&M 93% 258,631
Administration Total Allocated out GM 7% 19,462

BUDGET ITEM	FYE 9/30/21	CURRENT YTD	REMAINING	NON-LABOR
CARRY OVER ITEMS FY 2021				
GSA Engagement	462,939	4,285	458,654	n/a
SCADA Alarm Project	20,000		20,000	n/a
Tree-Trimming	7,525	7,325	200	n/a
Embankment Management-Grazing Pilot	42,000	16,434	25,566	n/a
Gate Actuators	36,388	33,462	2,926	n/a
Utility Tractor	104,205		104,205	n/a
TOTAL CARRY OVER ITEMS FY 2021	673,057	61,506	611,551	n/a

Friant Water Authority
Budget vs Actual Expenses
YTD - 10/31/2021

Friant Water Authority Budget vs Actual Expenses YTD - 10/31/2021	Budget year: 8.3% Completed											
	Total				Labor				Materials			
	Annual Budget	YTD Actual	% Of Bud	Projected Remaining	Budget	YTD Actual		Projected Remaining	Budget	YTD Actual		Projected Remaining
SPECIAL PROJECTS												
Pump Back Project - Cost Recovered -- USBR	\$0	(\$70,036)	\$0	\$70,036	\$0	(\$4,524)	\$0	\$4,524	\$0	(\$65,513)	\$0	\$65,513
Pump Back Project - Cost Recoverable Costs	38,238	62,413	163.22%	(24,175)	28,238	2,856	10.11%	25,382	10,000	59,557	595.57%	(49,557)
FKC MRCCP - Cost Recovered - USBR	\$0	(\$543,367)	\$0	\$543,367		\$0	\$0	\$0	\$0	(\$543,367)	\$0	543,367
MRRCP - Contractor & Recoverable Costs	-	543,367	0.00%	(543,367)	-	-	0.00%	-	-	543,367	0.00%	(543,367)
FKC Capacity Correction (FWA) - 6226	-	-	0.00%	-	-	-	0.00%	-	-	-	0.00%	-
FKC Capacity Correction - System Wide - 6227	58,265	6,497	11.1%	51,769	13,306	4,639	34.9%	8,667	44,959	1,857	4.1%	43,102
GSA Engagement	207,820	4,285	2.1%	203,536	46,820	4,240	9.1%	42,580	161,000	45	0.0%	160,956
MRCCP Construction in progress	-	24,942	0.0%	(24,942)	-	13,092	0.0%	(13,092)	-	11,850	0.0%	(11,850)
Water Quality	82,881	7,624	9.2%	75,256	30,043	4,747	15.8%	25,296	52,838	2,878	5.4%	49,960
TOTAL EXPENSES: SPECIAL PROJECTS	387,204	35,724	9.2%	351,480	118,408	25,050	21.2%	93,358	268,797	10,674	4.0%	258,123

GENERAL MEMBERSHIP

Outside Legal Consultants	609,000	6,147	602,853	1%
Other Consultants				
General Consulting	55,000	-	55,000	0%
Kan Ventures	65,500	4,000	61,500	6%
WDC Lobbyist	40,500	-	40,500	0%
Sacramento Lobbyist	45,000	1,697	43,303	4%
Public Relations Consultant	40,500	-	40,500	0%
Airborne Snow	272,000	-	272,000	0%
CDTFA - CA Water Res. Control Board	67,500	(37,500)	105,000	-56%
Family Farm Alliance	15,000	-	15,000	0%
CVPWA dues	50,000	-	50,000	0%
SJV Blueprint	15,000	-	15,000	0%
Temperance Flat Reservoir Authority	40,000	-	40,000	0%
Total Other Consultants	706,000	(31,803)	737,803	-5%
Other Supplies & Services	310,000	8,878	301,122	3%
General Counsel	12,500	-	12,500	0%
Staff Payroll & Benefits	725,000	44,509	680,491	6%
Admin Allocation	212,500	19,462	193,038	9%
Total GM	2,575,000	47,193	2,527,807	2%

Middle Reach Capacity Correction Project, Phase 1

Monthly Financial Status Report - October 2021

FWA Expenditures through October 31, 2021

SOURCES OF FUNDS		Total Anticipated	Funds Secured / Received to Date	Expenditures*	Remaining Funding Available
Federal Funding	SJRRP (Non-Reimb)	\$ 46,900,000	\$ 46,900,000	\$ 22,628,216	\$ 24,271,784
	WINN (Reimb)	\$ 210,550,000	\$ 210,550,000	\$ 1,981,971	\$ 208,568,029
State Funding		\$38M - \$170M	In Progress (TBD)	In Progress (TBD)	In Progress (TBD)
ETGSA	Eastern Tule GSA	\$125M - \$200M	\$ -	\$ -	\$ -
Pixley GSA	Pixley GSA	\$11M - \$14.5M	\$ -	\$ -	\$ -
FKC Contractors	FKC Contractors	\$50M	\$ 15,742,323	\$ 10,287,398	\$ 5,454,925

* Reclamation & FWA expenditures through October 31, 2021.

Project Budget to Actuals (Initial - High Level)	Reclamation**		FWA	
Cost Category	Budget Est.	Expenditures	Budget Est.	Expenditures
Prior Period & Non-Construction**	\$ 24,610,187	\$ 24,610,187	\$ 3,525,733	\$ 3,525,733
ROW & Land Acquisition	\$ 7,973,474	\$ 1,489,472	\$ 14,013,460	\$ 6,689,712
Construction***	\$ 113,666,339	\$ 45,310	\$ 128,710,807	\$ 71,952
Total	\$ 146,250,000	\$ 26,144,969	\$ 146,250,000	\$ 10,287,398
% Cost-Share	50%	72%	50%	28%

** Spending Plan in CFA identified prior period costs through December 31, 2020,

***The current budget reflects the updated bottom line estimate for Phase 1 from September 2021

including the construction contract award of \$177M, a more detailed budget presentation will be ready in January 2022.

Agenda Report

No. 2.D

DATE: December 10, 2021

TO: Board of Directors

FROM: Wilson Orvis, Chief Financial Officer

SUBJECT: Fiscal Year 2022, Second Quarter – January 1, 2022 - General Membership Call-for-Funds

SUMMARY:

The Board of Directors approved the Fiscal Year 2022 General Membership Budget at the August 26, 2021 meeting. Based upon substantive carryover in previously collected General Membership funds, FWA did not proceed with a call for funds both Fourth Quarter, FY 2021 (July – September 2021) and First Quarter, FY 2022 (October – December 2021).

Consistent with the adopted Budget and considering the projected reduction in previous carryover amounts, staff is recommending a January 1, 2022 Call-for-Funds, for the General Membership in the amount of \$624,219.46 to fund activities for the second quarter of FY 2022. Prior to initiating a call for Third Quarter, staff will conduct a trend analysis of budget to actuals for the remainder of the fiscal year and adjust the last two quarterly calls for funds accordingly.

An Exhibit A - Call-for-Funds is attached for your review. The “Exhibit A” delineates the amount to be invoiced for each member district.

Should the Second Quarter Call-for-Funds be approved by the Board, the invoices will be prepared and sent out by January 1, 2022 and would be due by January 31, 2022.

FINANCE COMMITTEE

The Finance Committee reviewed the proposed second quarter call for funds during the December 7, 2021 committee meeting and approved a motion to recommend that the Board of Directors approve the proposed call for funds.

RECOMMENDED ACTION:

The Board of Directors approve the January 1, 2022 Call-for-Funds in the amount of \$624,219.46 for the second quarter per the Exhibit A for the FY 2022 General Membership Budget.

SUGGESTED MOTION:

A motion to approve the January 1, 2022 Call-for-Funds in the amount of \$624,219.46 for the second quarter per the Exhibit A for the FY 2022 General Membership Budget.

BUDGET IMPACT:

\$624,219.46 in Cash Receipts to fund FY 2022, second quarter General Member activities.

ATTACHMENTS:

FY 2022 General Member Budget - Exhibit A.

<div>Friant Water Authority</div> <div>Exhibit "A" for General Member Budget</div> <div>GENERAL MEMBER ALLOCATION</div> <div>Fiscal Year Ending September 30, 2022</div>					<div>Water %50.00%</div> <div>Equal %50.00%</div> <div>Total100.00%</div>					<div>October 1621,219</div> <div>January 1621,219</div> <div>April 1621,219</div> <div>*Final621,219</div> <div>Associate Dues12,000</div> <div>Total Call for Funds2,496,878</div>		
District	CLASS I	CLASS I TIMES 2	CLASS II	2 X CLASS I PLUS CLASS II	CONTRACT WATER PERCENT	EQUAL ALLOCATION PERCENT	TOTAL ALLOCATION PERCENT	October 1 Call for Funds	January 1 Call for Funds	April 1 Call for Funds	Final Call for Funds	Total Call for Funds
Arvin-Edison	40,000	80,000	311,675	391,675	8.828%	3.125%	11.953%	0.00	74,251.71	74,251.71	74,251.71	222,755.13
City of Fresno	60,000	120,000		120,000	2.705%	3.125%	5.830%	0.00	36,214.36	36,214.36	36,214.36	108,643.08
Chowchilla WD	55,000	110,000	160,000	270,000	6.085%	3.125%	9.210%	0.00	57,215.94	57,215.94	57,215.94	171,647.82
Fresno ID		0	75,000	75,000	1.690%	3.125%	4.815%	0.00	29,913.89	29,913.89	29,913.89	89,741.67
Kaweah Delta WCD	1,200	2,400	7,400	9,800	0.221%	3.125%	3.346%	0.00	20,785.21	20,785.21	20,785.21	62,355.63
Kern-Tulare		0	5,000	5,000	0.113%	3.125%	3.238%	0.00	20,113.16	20,113.16	20,113.16	60,339.48
Lindmore	33,000	66,000	22,000	88,000	1.983%	3.125%	5.108%	0.00	31,734.03	31,734.03	31,734.03	95,202.09
Lindsay-Strathmore	27,500	55,000		55,000	1.240%	3.125%	4.365%	0.00	27,113.68	27,113.68	27,113.68	81,341.04
Lower Tule River	61,200	122,400	238,000	360,400	8.123%	3.125%	11.248%	0.00	69,872.88	69,872.88	69,872.88	209,618.64
Madera ID	85,000	170,000	186,000	356,000	8.024%	3.125%	11.149%	0.00	69,256.84	69,256.84	69,256.84	207,770.52
Orange Cove	39,200	78,400		78,400	1.767%	3.125%	4.892%	0.00	30,389.93	30,389.93	30,389.93	91,169.79
Porterville	15,000	30,000	30,000	60,000	1.352%	3.125%	4.477%	0.00	27,813.74	27,813.74	27,813.74	83,441.22
Saucelito	21,500	43,000	32,800	75,800	1.708%	3.125%	4.833%	0.00	30,025.90	30,025.90	30,025.90	90,077.70
Tea Pot Dome	7,200	14,400		14,400	0.325%	3.125%	3.450%	0.00	21,429.26	21,429.26	21,429.26	64,287.78
Terra Bella	29,000	58,000		58,000	1.307%	3.125%	4.432%	0.00	27,533.72	27,533.72	27,533.72	82,601.16
Tulare	30,000	60,000	141,000	201,000	4.530%	3.125%	7.655%	0.00	47,555.21	47,555.21	47,555.21	142,665.63
Associate Member												
Hills Valley								0.00	3,000.00	3,000.00	3,000.00	9,000.00
Totals	504,800	1,009,600	1,208,875	2,218,475	50.000%	50.000%	100.000%	0.00	624,219.46	624,219.46	624,219.46	1,872,658.38

Agenda Report

No. 3.A

DATE: December 10, 2021

TO: Board of Directors

FROM: Chris Hickernell, General Superintendent

SUBJECT: **Previously Budgeted Equipment Purchases**

SUMMARY:

The Fiscal Year (FY) 2022 Operations, Maintenance, and Replacement (OM&R) budget for the Friant-Kern Canal was approved by the Board of Directors at the September 23, 2021 meeting. The approved budget included approval to purchase a Tier 4 Wheel Loader and a Tier 4 Motor Grader for the Lindsay Maintenance Yard. FWA staff solicited bids from local equipment dealers and are recommending purchases (see below). In both cases, the negotiated bid amounts are lower than the approved budget amounts.

DISCUSSION:

Tier 4 Motor Grader. The approved FY 2022 OM&R budget included \$323,732.00 for the purchase of a Tier 4 Motor Grader. FWA staff solicited bids from local equipment dealers and received the following quotes:

Bids	Quinn Equipment	PAPE Machinery	Coastline
	\$318,104.25	\$340,836.09	No Bid

Staff is recommending the final approval to purchase a Caterpillar 140 Motor Grader from Quinn Company (low bidder) at a total cost of \$318,104.25. The final, negotiated cost is \$5,627.75 below the amount that was budgeted for FY 2022.

Tier 4 Wheel Loader. The approved FY 2022 OM&R budget included \$238,088.00 for the purchase of a Tier 4 Wheel Loader. FWA staff solicited bids from local equipment dealers and received the following quotes:

Bids	Quinn Equipment	PAPE Machinery	Coastline
	\$226,750.75	\$267,936.90	No Bid

Staff is recommending the final approval to purchase a Caterpillar 938M Wheel Loader from Quinn Company (low bidder) at a total cost of \$226,750.75. The final, negotiated cost is \$11,337.25 below the amount that was budgeted for FY 2022.

FINANCE COMMITTEE:

The Finance Committee met on December 7, 2021 and passed a motion to recommend that the Board of Directors to APPROVE the purchases of the Motor Grader and Wheel Loader based upon the final, negotiated low bid amounts.

RECOMMENDED ACTION:

That the Board of Directors to APPROVE the purchases of the Motor Grader and Wheel Loader based upon the final, negotiated low bid amounts.

SUGGESTED MOTION:

I move that the Board of Directors to APPROVE the purchases of the Motor Grader and Wheel Loader based upon the final, negotiated low bid amounts.

BUDGET IMPACT:

There is no adverse impact on the budget. Both recommended purchases are less than the amounts budgeted within the FY 2022 OM&R budget for the Friant-Kern Canal.

AGENDA REPORT

NO. 3.B

DATE: December 10, 2021

TO: Board of Directors

FROM: Wilson Orvis, Chief Financial Officer

SUBJECT: Approval of Master Professional Services Agreement with Brian Thomas for Financial Consulting Services

SUMMARY:

Staff has prepared a Master Professional Services Agreement (MPSA) with Brian Thomas for financial consulting services. This MPSA is a continuation of a previous MPSA that FWA had with PFM Financial Advisors, where Brian Thomas provided financial consulting services for various projects including the Friant-Kern Canal Capacity Correction Project.

The MPSA will allow FWA to request services from Brian Thomas, as-needed. Specific tasks will be assigned a Task Order and corresponding budget. The initial Task Order is for FY 2022 financial support services to include evaluating terms and conditions associated with financing matters (e.g., GSA funding, federal funding, etc.), reviewing financing terms of projects where FWA has financial exposure (e.g. SLDMWA), and providing support for development of applications and agreements to qualify for state and federal funding. Finally, Brian Thomas will participate in board and committee meetings, assist FWA staff in developing budgets, financial policies and procedures and other financial analyses, as needed.

FINANCE COMMITTEE:

The Finance Committee met on December 7, 2021 and passed a motion to recommend that the Board of Directors approve the Master Professional Services Agreement with Brian Thomas and Task Order No. 1 under such Agreement.

RECOMMENDED ACTION:

That the Board of Directors approve the Master Professional Services Agreement with Brian Thomas and Task Order No. 1 under such Agreement.

SUGGESTED MOTION:

I move that the Board of Directors approve the Master Professional Services Agreement with Brian Thomas and Task Order No. 1 under such Agreement.

BUDGET IMPACT:

Task Order No. 1 is on a time-and-materials basis with a not-to-exceed amount of \$60,000 through the end of Calendar Year 2022. This amount is covered under the current MRCCP and OM&R budgets.

ATTACHMENTS:

1. Master Professional Services Agreement
2. Task Order No. 1



***FRIANT WATER AUTHORITY
MASTER PROFESSIONAL SERVICES AGREEMENT***

With

Brian Thomas

Effective Date: November 1, 2021

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MASTER PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("**Agreement**") is effective as of November 1, 2021 ("**Effective Date**"), and is between the Friant Water Authority, a California joint powers authority ("**Friant**") and Brian Thomas, an individual ("**Consultant**").

Section 1. Term of Agreement.

Subject to the provisions of Section 20 ("**Termination of Agreement**"), the term of this Agreement will be for a period commencing on the Effective Date and will terminate upon the completion of Consultant's services.

Section 2. Scope and Performance of Services.

- 2.1 Consultant agrees to perform the services set forth in Exhibit A ("**Scope of Services**"), which is made a part of this Agreement, including all services set forth in each applicable "Task Order" pursuant to Exhibit A. The parties agree that each Task Order incorporates the terms and conditions of this Agreement and that upon execution by the parties, a Task Order will be deemed incorporated into this Agreement. In case of any conflict among the terms and conditions in this Agreement and a fully executed Task Order, the terms and conditions of this Agreement will control.
- 2.2 Consultant will furnish all of the labor, equipment, vehicles, transportation, office space and facilities, and all other means, except as otherwise expressly specified in this Agreement, necessary to perform the services required of Consultant under this Agreement.
- 2.3 Consultant's designated representative who is authorized to act on its behalf and to make all decisions in connection with the performance of services under this Agreement is listed in Exhibit B ("**Key Personnel & Compensation**"), which is made a part of this Agreement, or in an individual Task Order. Consultant must obtain Friant's prior written approval before utilizing any subcontractors to perform any services under this Agreement. This written approval must include the identity of the subcontractor and the terms of compensation.
- 2.5 Friant may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. Acceptance of any of Consultant's work by Friant will not constitute a waiver of any of the provisions of this Agreement. **Additional Services and Changes in Services.**
- 3.1 Consultant will not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to or outside of those set forth in the each Task Order or otherwise required by this Agreement, unless such additional services are authorized in advance and in writing by Friant.
- 3.2 If Consultant believes that additional services are needed to complete the services in a Task Order, Consultant will provide Friant with written notification describing the proposed additional services, the reasons for such services, and a detailed proposal regarding cost.
- 3.3 Friant may order changes to the services under a Task Order, consisting of additions, deletions, or other revisions, and the compensation to be paid Consultant will be adjusted

accordingly. All such changes must be authorized in writing, and executed by Consultant and Friant. The cost or credit to Friant resulting from changes in the services will be determined by the written agreement between the parties.

Section 4. Familiarity with Services.

- 4.1** By executing this Agreement, Consultant represents that Consultant:
- (a) has thoroughly investigated and considered the services to be performed;
 - (b) understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement; and
 - (c) possesses all licenses required under local, state or federal law to perform the services contemplated by this Agreement, and will maintain all required licenses during the performance of this Agreement.

Section 5. Compensation and Payment.

- 5.1** Subject to any limitations set forth in this Agreement, Friant agrees to pay Consultant the amounts specified in each applicable Task Order. The total compensation, including reimbursement for actual expenses, may not exceed the amount set forth in each applicable Task Order unless additional compensation is approved in writing by Friant.
- 5.2** Each month during the term of this Agreement, Consultant must furnish Friant with an original invoice for all services performed and expenses incurred during the preceding month in accordance with the compensation provisions set forth in Exhibit B or the applicable Task Order. The invoice must detail charges by the following categories, as applicable: labor, reimbursable costs, and miscellaneous expenses. The invoice must list, as applicable, the hours worked and hourly rates, the percentage of the task completed during the billing period if applicable, the cumulative percentage completed for each task, and the total cost of the services. If applicable, the invoice must also provide a budget summary including the total amounts previously invoiced and paid, the current invoice amount and the budget remaining. Friant will review each invoice submitted by Consultant to determine whether the work performed and expenses incurred are in compliance with this Agreement. In the event that no charges or expenses are disputed, the invoice will be approved and paid. In the event any charges or expenses are disputed by Friant, the invoice will be returned by Friant to Consultant for correction and resubmission.
- 5.4** Except as to any charges for work performed or expenses incurred by Consultant that are disputed by Friant, Friant will cause Consultant to be paid within 30 days of receipt of Consultant's invoice.
- 5.5** Payment to Consultant for services performed under this Agreement may not be deemed to waive any defects in the services performed by Consultant, even if such defects were known to Friant at the time of payment.

Section 6. [Intentionally Omitted].

Section 7. Time of Performance; Excusable Delays; Extensions.

- 7.1** Consultant must adhere to all schedules and deadlines set forth in this Agreement and in each Task Order, subject to the exercise of the generally accepted standard of care for performance of such services.
- 7.2** If Consultant is delayed by any cause beyond Consultant's control, Friant may grant, but is not required to, a time extension for the completion of services. If delay occurs, Consultant must notify Friant within 48 hours, in writing, of the cause and the extent of the delay and how such delay interferes with Consultant's performance of services. **Cooperation by Friant.**

All public information, data, reports, and records ("information and data") as are existing and available to Friant as public records, and which are necessary for carrying out the services will be furnished to Consultant in every reasonable way to facilitate, without undue delay, the services to be performed under this Agreement.

Section 9. Project Documents.

- 9.1** All original computer programs, data, memoranda, notes, photographs, reports, studies, and other documents (collectively, "**Project Documents**") prepared, developed or discovered by Consultant in the course of providing services under this Agreement will become the sole property of Friant and may be used, reused or otherwise disposed of by Friant without the permission of Consultant. Consultant will take such steps as are necessary to perfect or protect the ownership interest of Friant in such Project Documents. Upon completion, expiration or termination of this Agreement or upon request by Friant, Consultant must turn over to Friant all such original Project Documents in its possession; provided, however, that Consultant may retain copies of Project Documents. Friant acknowledges and agrees that use of Consultant's completed work product, for purposes other than identified in this Agreement or any Task Order, or use of incomplete work product, is at Friant's own risk. If necessary, Consultant agrees to execute all appropriate documents to assign to Friant the copyright or intellectual property rights to the Project Documents created pursuant to this Agreement.
- 9.2** Except as necessary for the performance of services under this Agreement, no Project Documents prepared under this Agreement, will be released by Consultant to any other person or entity without Friant's prior written approval.

Section 10. Confidential Information; Release of Information.

- 10.1** All information gained or work product produced by Consultant in performance of this Agreement will be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant may not release or disclose any such information or work product to persons or entities other than Friant without prior written authorization from Friant, except as may be required by law.
- 10.2** Consultant may not, without prior written authorization from Friant or unless requested by Friant's general counsel or attorneys, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the services performed under this Agreement. Response to a subpoena or court order will not be considered "voluntary" provided Consultant gives Friant notice of such court order or subpoena.

- 10.3** If Consultant provides any information or work product (including Project Documents) in violation of this Agreement, then Friant will have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, to the extent caused by or incurred as a result of Consultant's conduct.
- 10.4** Consultant must promptly notify Friant should Consultant be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the services performed under this Agreement. Friant retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with Friant and to provide Friant with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by Friant to control, direct, or rewrite such response.
- 10.5** All media and press releases, including graphic display information, must be approved and distributed solely by Friant, unless otherwise agreed to in writing by Friant. All media interviews regarding the performance of services under this Agreement are prohibited unless expressly authorized by Friant.

Section 11. Consultant's Books and Records.

- 11.1** Consultant must maintain all documents and records demonstrating or relating to Consultant's performance of services under this Agreement, including ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to Friant under this Agreement. All financial documents or records must be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant under this Agreement. All such documents or records must be maintained for at least three years following the final payment under this Agreement.
- 11.2** Any and all records or documents required to be maintained by this section must be made available for inspection, audit and copying, at any time during regular business hours, upon written request by Friant or its designated representative. Copies of such documents or records must be provided directly to Friant for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records must be made available at Consultant's address indicated for receipt of notices in this Agreement.

Section 12. Status of Consultant.

- 12.1** Consultant is and will at all times remain a wholly independent contractor and not an officer or employee of Friant. Consultant has no authority to bind Friant in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against Friant, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by Friant.
- 12.2** Neither Friant, nor any elected or appointed boards, officers, officials, employees or agents of Friant, will have control over the conduct of Consultant except as provided in this Agreement. Consultant agrees that it will not at any time or in any manner represent that Consultant is in any manner an official, officer, or employees of Friant.

- 12.3** Consultant will not obtain any rights to retirement, health care or any other benefits which may otherwise accrue to Friant's employees. Consultant expressly waives any claim to any such rights or benefits.

Section 13. Compliance with Applicable Laws.

- 13.1 In General.** Consultant must use the standard of care in its profession to keep itself informed of and comply with all federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement that apply to the services performed by Consultant.

Section 14. [Intentionally Omitted].

Section 15. Conflicts of Interest.

- 15.1** Consultant covenants that Consultant has not and will not acquire any interest, directly or indirectly, that would conflict in any manner with the interests of Friant or that would in any way hinder Consultant's performance of services under this Agreement. Consultant's attention is directed to the conflict of interest rules applicable to governmental decision-making contained in the Political Reform Act (California Government Code Section 87100 and following) and its implementing regulations (California Code of Regulations, Title 2, Section 18700 and following), and California Government Code section 1090.
- 15.2** Consultant covenants that Consultant will not make, participate in the making, or in any way attempt to use the position of Consultant to influence any decision of Friant in which Consultant knows or has reason to know that Consultant, or any officer, principal or employee of Consultant has any of the financial interests listed in Government Code section 87103.
- 15.3** Friant understands and acknowledges that Consultant is, as of the Effective Date, independently involved in the performance of non-related services for other governmental agencies and private parties, including the State of California. Consultant represents that, except as otherwise disclosed to Friant, it is unaware of any stated position of Friant relative to these projects. Any future position of Friant on these projects will not be considered a conflict of interest for purposes of this section.

Section 16. Indemnification.

- 16.1** The parties agree that Friant should, to the fullest extent permitted by law, be defended, indemnified, and held harmless from all Claims (defined below) related to the performance by Consultant of this Agreement to the extent such Claims are covered by the insurance required under this Agreement. Accordingly, the provisions of this section are intended by the parties to be interpreted and construed to provide the Friant with the fullest protection possible under the law. Consultant acknowledges that Friant would not enter into this Agreement in the absence of Consultant's commitment to defend, indemnify, and hold harmless Friant as set forth in this section.
- 16.2** For the purposes of this section, "Friant" includes Friant's officers, officials, employees, agents and volunteers, and "Consultant" includes Consultant and any other persons for whom Consultant is legally responsible.

- 16.3** Consultant agrees to defend, indemnify, and hold harmless Friant from and against any and all claims, liabilities, damages, losses, and costs, including but not limited to reasonable attorney's fees and all other costs of defense, to the extent caused, in whole or in part, by the negligence, recklessness, or willful misconduct of Consultant, and excepting only those claims, damages, liabilities, losses, and costs caused by Friant's sole negligence or willful misconduct (collectively, "**Claims**").
- 16.4** Consultant must notify Friant within five days of receipt of notice of any Claims made or legal action initiated that arises out of or pertains to Consultant's performance of services under this Agreement.
- 16.5** Consultant is obligated to defend Friant in all legal, equitable, administrative, or special proceedings, with counsel approved by Friant, immediately upon tender to Consultant of a Claim in any form or at any stage of an action or proceeding, whether or not liability is established.
- 16.6** Consultant agrees that settlement of any Claim against Friant requires the consent of Friant. Friant agrees that its consent will not be unreasonably withheld provided that Consultant is financially able (based on available insurance) to fulfill its obligation to indemnify Friant for the costs of any such settlement as required under this Agreement.
- 16.7** The insurance required to be maintained by Consultant under this Agreement is intended to ensure Consultant's obligations under this section. The parties acknowledge and agree that the limits of such insurance also limit the liability of Consultant under this Agreement.
- 16.8** The provisions of this section will survive the expiration or earlier termination of this Agreement in accordance with the applicable provisions of Exhibit C ("**Insurance**").

Section 17. Insurance.

Consultant agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance coverages listed in Exhibit C ("**Insurance**"), which is made a part of this Agreement. All insurance policies are subject to approval by Friant as to form and content. These requirements are subject to amendment or waiver if so approved in writing by Friant.

Section 18. Assignment.

The expertise and experience of Consultant are material considerations for this Agreement. Friant has an interest in the qualifications of and capability of the persons and entities that will fulfill the duties and obligations imposed upon Consultant under this Agreement. In recognition of that interest, Consultant may not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Consultant's duties or obligations under this Agreement without the prior written consent of Friant, which may be withheld in Friant's sole discretion. Any attempted assignment will be null and void, and will constitute a material breach of this Agreement entitling Friant to any and all remedies at law or in equity, including summary termination of this Agreement.

Section 19. Default; Limitations on Liability.

- 19.1** In the event that Consultant is in default under the terms of this Agreement, Friant will have no obligation or duty to continue compensating Consultant for any services performed after Friant provides written notice to Consultant of such default.
- 19.2** Consultant agrees that no Friant official, officer, employee or agent will be personally liable to Consultant in the event of any default or breach of Friant, or for any amount which may become due to Consultant, or for any obligations directly or indirectly incurred under this Agreement.
- 19.3** Friant's liability under this Agreement is limited to payment of Consultant in accordance with the terms of this Agreement and excludes any liability whatsoever for consequential or indirect damages even if such damages are foreseeable.

Section 20. Termination of Agreement.

- 20.1** Friant may terminate this Agreement, with or without cause, at any time by written notice of termination to Consultant. In the event such notice is given, Consultant must cease immediately all work and services in progress.
- 20.2** Consultant may terminate this Agreement at any time upon 30 days' prior written notice of termination to Friant.
- 20.3** Upon termination of this Agreement by either Consultant or Friant, all property belonging to Friant that is in Consultant's possession must be returned to Friant. Consultant must promptly deliver to Friant a final invoice for all outstanding services performed and expenses incurred by Consultant as of the date of termination. Compensation for work in progress not based on an hourly rate will be prorated based on the percentage of work completed as of the date of termination.
- 20.4** Consultant acknowledges Friant's rights to terminate this Agreement as provided in this section, and hereby waives any and all claims for damages that might otherwise arise from Friant's termination of this Agreement.

Section 21. Notices.

- 21.1** All written notices required or permitted to be given under this Agreement will be deemed made when received by the other party at its respective address as follows:

To Friant:	Friant Water Authority 854 N. Harvard Ave. Lindsay, CA 93247 Attention: Wilson Orvis, CFO (Tel.) 559-562-6305 (Fax) 559-562-3496 (Email) worvis@friantwater.org
To Consultant:	Brian Thomas

1440 Old House Road
Pasadena, CA 91107

(Tel.) 213-458-3275
(Email) brian.thomas@friantwater.org

- 21.2** Notice will be deemed effective on the date personally delivered or electronically transmitted by facsimile or email. If the notice is mailed, notice will be deemed given three days after deposit of the same in the custody of the United States Postal Service, postage prepaid, for first class delivery, or upon delivery if using a major courier service with tracking capabilities.
- 21.3** Any party may change its notice information by giving notice to the other party in compliance with this section.

Section 22. General Provisions.

- 22.1 Authority to Execute; Counterparts.** Each party represents and warrants that all necessary action has been taken by such party to authorize the undersigned to execute this Agreement and to bind it to the performance of its obligations hereunder. This Agreement may be executed in several counterparts, each of which will constitute one and the same instrument and will become binding upon the parties when at least one copy has been signed by both parties.
- 22.2 Entire Agreement.** This Agreement, including the attached Exhibits A through C, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed in this Agreement and supersedes all other agreements or understandings, whether oral or written, between Consultant and Friant prior to the execution of this Agreement.
- 22.3 Binding Effect.** This Agreement is binding upon the heirs, executors, administrators, successors and assigns of the parties.
- 22.4 Modification of Agreement.** No amendment to or modification of this Agreement or any Task Order will be valid unless made in writing and approved by Consultant and by Friant Board of Directors or Friant CEO, COO, or CFO as applicable. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver will be void.
- 22.5 Electronic Signatures.** This Agreement and any amendment or Task Order will be considered executed when the signature page of a party is delivered by electronic transmission. Such electronic signatures will have the same effect as an original signature.
- 22.6 Waiver.** Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement will not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement will not constitute a waiver of any other provision, or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by Friant of any services by Consultant will not constitute a waiver of any of the provisions of this Agreement.

- 22.7 Interpretation.** This Agreement will be interpreted, construed and governed according to the laws of the State of California. Each party has had the opportunity to review this Agreement with legal counsel. The Agreement will be construed simply, as a whole, and in accordance with its fair meaning. It will not be interpreted strictly for or against either party.
- 22.8 Severability.** If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement will not be affected and the Agreement will be read and construed without the invalid, void or unenforceable provision.
- 22.9 Venue.** In the event of litigation between the parties, venue in will be exclusively in a state court in the County of Tulare, California.
- 22.10 Audit.** Consultant acknowledges and agrees that under Government Code section 8546.7, this Agreement is subject to the examination and audit of the California State Auditor, at the request of Friant or as part of any audit of Friant, for a period of three years after final payment under this Agreement.

[Signatures on the following page.]

THE UNDERSIGNED AUTHORIZED REPRESENTATIVES OF the parties hereby execute this Agreement as follows:

FRIANT WATER AUTHORITY

Johnny Amaral, Acting Chief Operating Officer

Wilson Orvis, Chief Financial Officer

APPROVED AS TO FORM:

Donald M. Davis, General Counsel

CONSULTANT:

Brian Thomas, an individual

By _____
Brian Thomas

EXHIBIT A

SCOPE OF SERVICES

The services performed under this Agreement will consist of the individual projects defined by Task Orders entered into by the parties during the term of this Agreement. Each Task Order will be numbered sequentially and will be similar in format to the attached Exhibit A-1, entitled "Task Order Format." Each Task Order will specifically define the scope of services for each specific project or task on which Friant desires to retain Consultant's services. Each Task Order will also specify (1) the date on which the work covered by the Task Order is to begin; (2) the date on which the work covered by the Task Order is to be completed; (3) the maximum charges that Friant can expect to pay to Consultant for Consultant's services pursuant to such Task Order; and (4) the names of the persons who will be Friant's and Consultants' respective principal representatives for the management and performance of the specific services covered by the Task Order.

The specific services covered by each separate Task Order will be undertaken by Consultant only upon receipt of a Task Order signed by an authorized representative of Friant and accepted by an authorized representative of Consultant.

Consultant will commence performing the services specified by each Task Order on the commencement date specified in the Task Order, and will complete such services within the time and monetary limitations specified in the Task Order. If Consultant, in the course of performing its services under any given Task Order, determines it will be unable to complete the services within the time schedule or authorized limit of charges specified in the Task Order, it will promptly so notify Friant of such determination. Within 14 calendar days of such notification, Friant will inform Consultant as to how Friant chooses to proceed.

EXHIBIT A-1

TASK ORDER FORMAT

FRIANT WATER AUTHORITY

MASTER PROFESSIONAL SERVICES AGREEMENT DATED November 1, 2021

Task Order No.: _____
Date: _____

Friant Water Authority
854 N. Harvard Ave.
Lindsay, CA 93247
Attn:

DESCRIPTION OF SERVICES:

KEY PERSONNEL:

NOT TO EXCEED COST;

FEE SCHEDULE:

DATE TO COMMENCE SERVICES:

ESTIMATED COMPLETION DATE:

FRIANT'S REPRESENTATIVE:

CONSULTANT'S REPRESENTATIVE:

ACCEPTED:

CONSULTANT

ACCEPTED:

FRIANT WATER AUTHORITY

By: _____

Brian Thomas

By: _____

Title: _____

EXHIBIT B

KEY PERSONNEL & COMPENSATION

1. Consultant's designated representative who is authorized to act on its behalf and to make all decisions in connection with the performance of services under this Agreement is: **Brian Thomas**.
2. Total compensation under this Agreement, including reimbursement for actual expenses, may not exceed the amount budgeted under each Task Order.
3. Friant will pay Consultant at a rate of \$200.00 per hour.
4. Travel on behalf of Friant will only be undertaken if approved in advance by the CEO, COO, CFO or other designee. Mileage reimbursement will be based on miles calculated via Google Maps and will be at the applicable IRS rate in effect at the time mileage is traveled. Expenses for travel using some other mode of transportation (e.g. train or air) will be reimbursed at cost.
5. Travel time to meetings with beginning and ending in locations within 200 miles of Lindsay, CA (with Consultant driving or as a passenger) will be considered hours of work. If the Consultant participates in a conference call for another client during travel, the time for that call will be deducted from the travel time charged under this Agreement. Likewise, if the Consultant participates in a conference call on behalf of Friant during travel, that time will not be double-counted as hours worked.
6. There will be no reimbursement for meals requested unless there are special circumstances. Such circumstances could be, for example, if the CEO, COO, CFO or other designee were to ask the Consultant to hold a lunch meeting with someone on behalf of Friant. Such meals will only be undertaken if approved in advance by the CEO, COO, CFO or other designee.
7. Overnight travel will only be undertaken if approved in advance by the CEO, COO, CFO, or other designee. Reimbursement parameters for overnight expenses will be negotiated between the CEO, COO, CFO or other designee and the Consultant on a case-by-case basis.

EXHIBIT C

INSURANCE

- A. **Required Insurance.** Before commencing any services, Consultant must procure and maintain in full force and effect during the term of this Agreement the following types of insurance with at least the minimum coverage listed and subject to the applicable additional requirements set forth below:

<u>Type of Insurance</u>	<u>Limits (combined single)</u>
General Liability	\$500,000
Automobile Liability	\$500,000 (injury)/\$100,000 (property)

- B. **General Liability Insurance.** The amount of insurance set forth above must be a combined single limit per occurrence for bodily injury, personal injury, and property damage. The insurance must be on an "occurrence" not a "claims made" basis.
- C. **Automobile Insurance.** If Consultant will use personal autos in connection with the provision of services under this Agreement, Consultant will provide evidence of personal auto liability coverage.
- D. **Additional Insureds.** Each Commercial General Liability Insurance policy and Auto Insurance policy must provide that Friant, its officials, officers, employees, agents and volunteers are "additional insureds" under the terms of the policy, and must provide that an act or omission of one the insureds will not reduce or avoid coverage to the other insureds.
- E. **Primary Insurance.** Each of the Commercial General Liability and Auto Insurance policy maintained by Consultant under this Agreement must state that such insurance will be deemed "primary" so that any insurance that may be carried by Friant will be deemed excess to that of Consultant. This endorsement must be reflected on ISO Form No. CG 20 01 04 13, or current equivalent form acceptable to Friant.
- F. **Certificates of Insurance and Endorsements; Notice of Termination or Changes to Policies.** Prior to commencing any services under this Agreement, Consultant must file with Friant certificates of insurance and endorsements evidencing the existence of all insurance required by this Agreement, along with such other evidence of insurance or copies of policies as may reasonably be required by Friant. These certificates of insurance and endorsements must be in a form approved by Friant. Consultant must maintain current certificates and endorsements on file with Friant during the term of this Agreement reflecting the existence of all required insurance. Each of the certificates must expressly provide that no termination or cancellation of the required coverage will be effective except upon 30 days' prior written notice to Friant. The delivery to Friant of any certificates of insurance or endorsements that do not comply with the requirements of this Agreement will not waive the Friant's right to require compliance. In the event that Consultant's policies are materially changed, Consultant must provide the Friant with at least 30 days' prior written notice of the applicable changes.
- G. **Insurance Rating.** All insurance required to be maintained by Consultant under this Agreement must be issued by companies licensed by or admitted to conduct insurance business in the State of California by the California Department of Insurance and must have a rating of A or better and Class VII or better by the latest edition of A.M. Best's Key Rating Guide.
- H. **Aggregate Limits.** The aggregate limits for each insurance policy required under this Agreement must apply separately and solely to the services performed under this Agreement. If the required policies do not have an endorsement providing that the aggregate limit applies separately to the

services being performed, or if defense costs are included in the aggregate limit, then the required aggregate limits must be increased to an amount satisfactory to Friant.

- I. **Waiver of Subrogation Rights.** Consultant and each insurer providing any insurance required by this Agreement must waive all rights of subrogation against Friant, its officials, officers, employees, agents and volunteers, and each insurer must issue a certificate to the Friant evidencing this waiver of subrogation rights.
- J. **Failure to Maintain Required Insurance.** If Consultant, for any reason, fails to obtain and maintain the insurance required by this Agreement, Friant may obtain such coverage at Consultant's expense and deduct the cost of such insurance from payments due to Consultant under this Agreement or may terminate the Agreement.
- K. **Effect of Coverage.** Consultant acknowledges that the insurance coverage and policy limits set forth in this Agreement constitute the minimum coverage and policy limits required. Any insurance proceeds available to Friant in excess of the limits and coverage required by this Agreement, and which is applicable to a given loss, must be made available to Friant to compensate it for such losses.
- L. **Higher Limits of Insurance.** If Consultant maintains higher limits of insurance than the required amounts shown in Section A above, then such amounts will be the minimum required under this Agreement.
- M. **Evaluation and Revision of Coverage.** Friant retains the right to modify, delete, alter or change the insurance requirements set forth in this Exhibit C upon not less than 90 days' prior written notice. If any such change results in a substantial additional cost to Consultant, the Friant and Consultant may renegotiate Consultant's compensation under this Agreement.

Consulting Services
Friant Water Authority

Scope of Work

General Description: Contractor will work with Friant Water Authority (FWA) staff and FWA's other consultants to evaluate terms and conditions associated with alternative financing proposals (e.g., GSA funding, federal funding, etc.). Contractor will function as an integral member of the FWA Project team, participating in meetings and calls as necessary, while performing financial analysis in a timely basis. In addition, contractor will support FWA's efforts when assembling necessary applications and agreements to qualify for state and federal funding (e.g., WIFIA loans, WIIN Act funding, etc). Finally, Contractor will participate in board and committee meetings, assist FWA staff in developing budgets, financial policies and procedures and other financial analyses as needed.

Term. These tasks are expected to be performed on an ongoing basis through at least December 31, 2022, and may be extended as needed.

Description of Task and Activities.

Task 1. Work with FWA staff and consultants to develop a thorough understanding of financial modeling and project funding needs, and assist FWA staff in building financial models. Provide feedback and comments on FWA reports, budget materials, and presentations.

Task 2. Continue to participate in weekly meetings with FWA, the Bureau of Reclamation, and Friant Contractors to develop financing terms and conditions needed to meet the Project requirements.

Task 3. Assist FWA staff in the evaluation of proposals and information from San Luis Delta Mendota Water Authority, Eastern Tule GSA, and other agencies as to the financial and other impacts on FWA.

Task 4. Provide presentation materials and presentations to the FWA board and contractors as required.

Compensation and Estimated Budget.

Contractor will be compensated at the rate of \$200/hour. Contractor will also be reimbursed for any out of pocket expenses (e.g., travel expenses) that may be incurred.

The estimated budget for the October 1, 2021 thru December 31, 2022 is \$60,000. This budget may be exceeded if actual hours expended are greater than 20 hours per month.

Agenda Report

No. 3.C

DATE: December 10, 2021

TO: Board of Directors

FROM: Wilson Orvis, CFO

SUBJECT: Allocation of Settlement Payment

SUMMARY:

On August 6, 2021, a payment in the amount of \$1,047,804.99 (Settlement Payment) was made by Panoche Water District to the San Luis & Delta Mendota Water Authority (Authority) pursuant to a Settlement Agreement with the Authority and the Bureau of Reclamation regarding multiple years of illegal diversions of Project water by Panoche. The Authority allocated the settlement payment as a surplus based upon actual deliveries to all contractors for each year starting in Water Year (WY) 2009 through WY 2019. Friant Water Authority's (FWA) share of the Settlement Payment was \$395,822.44.

At the October 28, 2021 Board of Directors meeting, questions were raised as to why the allocation methodology used by the Authority did not follow the cost pools set forth in the Memorandum of Understanding between the Authority and FWA (Friant MOU).

Subsequent to the Board of Directors meeting, FWA staff met with the Authority staff to discuss, in detail, the rationale the Authority used to allocate the Settlement Payment and its relationship to the Friant MOU. Based upon those discussions, Authority staff provided the following considerations that informed the allocation methodology that was recommended and approved by the Authority Board of Directors:

- A. The delivery amounts were negotiated, because neither Reclamation nor the Authority had sufficient specific information as to the (1) source of water, (2) type of water, and/or (3) what specific locations the diversions took place.
- B. This situation, the illegal diversion of water over multiple years, was not an event envisioned in the Friant MOU. As such, the allocation methodology that Authority staff recommended was designed to result in an equitable allocation of the Settlement Payment to all participating OM&R contractors in each of the years in question.

Based upon the additional clarifications provided by the Authority and that the percentage to FWA of the Settlement Payment is consistent with FWA's average participation in the cost pools (~38%), staff is recommending that the FWA Board of Directors accept the methodology used by the Authority to allocate the Settlement Payment and that FWA's share of the settlement payment be allocated to Friant Division Contractors based upon their relative share of OM&R costs for exchange/settlement contractor deliveries in each of the years covered by the Settlement Agreement.

DISCUSSION

The Authority's methodology for allocating the refund of the Settlement Payment for each Water Year (WY) was based upon the relative percentage of deliveries throughout the entire facility in that year (see Attachment 1 – agenda report). As such, the Settlement Payment allocation was not formulated based upon the cost pools in the Authority's cost recovery policy, but instead was based upon total deliveries across all pools.

FWA's Cost Recovery Methodology Policy (October 1, 2019) requires that Operations, Maintenance, and Replacement (OM&R) costs associated with Exchange Contractor/Settlement Contractor deliveries through the facilities at the Authority be allocated to Friant Division Contractors on the basis of conveyance and pumping cost pools. Since the Authority's approach to allocating the Settlement Payment did not segregate costs by those cost pools, FWA staff had to develop an alternative methodology.

Recommended Allocation Methodology. FWA staff has developed a recommended allocation of the settlement payments by year and District (see Attachment 2). The allocation percentages were developed by:

1. Collating the total Authority OM&R costs by that FWA paid for WY's 2009 – 2019.
2. Segregating each year's costs into the pumping, conveyance, and reserves cost pools
3. Allocating each year's costs¹, by pool, to each Friant Division Contractor based upon the allocation in place during that WY.

Once the amounts by pool and District were determined, for each year's Settlement Payment refund, the refund was allocated to each contractor based upon their relative share of the total OM&R payments for that WY. *For example*, in WY 2009, the total OM&R cost was \$9,044,918.22. Arvin-Edison Water Storage District's share of costs that year was \$698,454.72. Therefore, AEWSD's share of the refund payment in WY 2009 was 7.72%.

FINANCE COMMITTEE

The Finance Committee reviewed the proposal during the October 25, 2021 committee meeting and approved a motion to recommend that the Board of Directors approve the proposed allocation methodology.

RECOMMENDED ACTION:

The Board of Directors approve the proposed methodology for allocating the costs from the Settlement Payment.

¹ For all but WY 2019, the costs were based upon final accountings as final, actual costs. For WY 2019, the costs are based upon the rates established by the Authority and the final Exchange & Settlement Contractor delivery data for WY 2019.

SUGGESTED MOTION:

A motion to approve the proposed methodology for allocating the costs from the Settlement Payment received from the Authority.

BUDGET IMPACT:

There is no impact to the budget, the Settlement Payment will be refunded to each Friant Division Contractor based upon the recommended allocation methodology.

ATTACHMENTS:

- 1) Authority Agenda Report, Staff Recommendation for Allocation of Settlement Payment, September 13, 2021
- 2) FWA Workbook, Recommended Allocation of Settlement Payment, by Year and District, Friant Division



MEMORANDUM

TO: SLDMWA Finance & Administration Committee, Board of Directors, Alternates

FROM: Pablo Arroyave, Chief Operating Officer
Joyce Machado, Director of Finance

DATE: September 13, 2021

RE: Staff Recommendation for Allocation of Settlement Payment

BACKGROUND

On August 6, 2021, a \$1,047,804.99 wire transfer was made by Panoche Water District to the Water Authority pursuant to a Settlement Agreement and Limited Release. Staff proposes to allocate the settlement payment in accordance with relevant guidance documents, as discussed below.

ISSUE FOR DECISION

Whether the Finance & Administration Committee should recommend, and the Board of Directors should adopt, staff's recommendation for allocation of the settlement payment.

RECOMMENDATION

Staff recommends adoption of its recommendation for allocation of the settlement payment, including the following: \$952,317 to be refunded/credited¹ as surplus; \$26,711 to be treated as miscellaneous revenue in FY21; and \$68,776.99 to be treated as miscellaneous revenue in current fiscal year.

ANALYSIS

The settlement payment includes dollar amounts associated with four components: (1) OM&R costs incurred between January 1, 2009 and April 30, 2015, (2) associated interest calculated through August 5, 2021, (3) actual Water Authority costs incurred prior to FY22 (cost of sealing diversion sites), and (4) actual staff/attorney time costs in FY22.

The Water Authority's Transfer Agreement discusses the Water Authority's ability to adopt cost recovery methodology, and notes that Reclamation has approved the Water Authority's existing cost recovery methodology. The referenced cost recovery methodology is documented in the First Amended and Restated Memorandum of Understanding between Friant Water Users Authority and San Luis & Delta-Mendota Water Authority Relating to Allocation, Collection and

¹ The refund/credit would not accrue to Panoche Water District.

Payment of Operation, Maintenance & Replacement Costs for Water Delivered through Certain Central Valley Project Facilities (Friant MOU) and SLDMWA OM&R Cost Recovery Plan. These two documents include provisions that address how the Water Authority should treat both “surplus” funds and “miscellaneous revenues.” As explained below, some components of the settlement payment constitute surplus and other components miscellaneous revenues.

OM&R Costs Component: Staff proposes to treat the amount received as surplus, and refund or credit those that overpaid in the associated water years (WY 2009 - WY2019) according to actual deliveries in each of those years. Under the SLDMWA OM&R Cost Recovery Plan, “[i]n the event payments made by or on account of a SLDM Contractor exceed costs allocated to that SLDM Contractor (surplus), the SLDMWA will refund the amount of the surplus to the payee or the payee may direct the SLDMWA to apply such surplus to amounts otherwise due under this ... Plan.”

Interest Component: Staff proposes to treat interest calculated through Water Year 2019 as surplus for each of the associated water years (WY2009 – WY2019), and refund or credit those that overpaid in those water years according to actual deliveries. For the interest received that is associated with Water Year 2020 (\$8,945) and Water Year 2021 (\$8,974), staff proposes to treat these amounts as miscellaneous revenue in those respective open fiscal years (true-ups are yet to be completed).

Miscellaneous revenues are addressed in the Water Authority’s Friant MOU, in Section III.A.4:

It is anticipated that the SLDMWA may from time to time realize miscellaneous revenues from sources directly related to the OM&R Program, including without limitation revenues from (i) rebates from vendors of products and/or services used in the OM&R Program, (ii) the sale of used equipment originally acquired for use in the OM&R Program, and (iii) amounts collected from third parties for whom the SLDMWA performs contract services using employees, equipment and/or materials otherwise used in the OM&R Program. All such miscellaneous revenues will be retained by the SLDMWA and utilized to support the continued OM&R Program.

Actual Costs Component: The settlement payment includes payment for actual costs incurred prior to the current fiscal year. Staff proposes to treat this portion of the payment as miscellaneous revenue in FY21. In addition, the portion of the payment that is assigned to actual costs incurred during the current fiscal year (staff/outside counsel time) would be treated as miscellaneous revenue in FY22. This FY21 and FY22 miscellaneous revenue would be captured as a separate step in the WY20 and WY21 final accountings true-up process.

Recommended Allocation of Settlement Payment, by Year and District, Friant Division
October 22, 2021

	Total	WY 2019	WY 2018	WY 2017	WY 2016	WY 2015	WY 2014	WY 2013	WY 2012	WY 2011	WY 2010	WY 2009
Settlement Refund:	\$ (395,822.44)	\$ (5,281.12)	\$ (9,583.86)	\$ (6,159.52)	\$ (8,986.57)	\$ (42,245.15)	\$ (125,404.15)	\$ (54,433.21)	\$ (42,009.71)	\$ (20,802.55)	\$ (36,315.53)	\$ (44,601.07)
Friant-Kern Canal												
Arvin-Edison WSD	\$ (30,044.54)	\$ (380.21)	\$ (693.10)	\$ (469.84)	\$ (614.46)	\$ (3,095.67)	\$ (9,691.82)	\$ (4,132.94)	\$ (3,186.19)	\$ (1,613.80)	\$ (2,722.40)	\$ (3,444.12)
Delano-Earlimart ID	\$ (48,938.16)	\$ (695.97)	\$ (1,200.61)	\$ (759.91)	\$ (1,142.82)	\$ (5,272.77)	\$ (15,410.72)	\$ (6,724.73)	\$ (5,191.59)	\$ (2,553.47)	\$ (4,503.24)	\$ (5,482.33)
Exeter ID	\$ (5,533.28)	\$ (72.31)	\$ (132.58)	\$ (85.16)	\$ (124.38)	\$ (584.34)	\$ (1,733.67)	\$ (752.66)	\$ (598.74)	\$ (296.32)	\$ (517.73)	\$ (635.38)
City of Fresno	\$ (25,212.00)	\$ (331.71)	\$ (625.73)	\$ (391.54)	\$ (602.15)	\$ (2,740.55)	\$ (7,916.71)	\$ (3,468.50)	\$ (2,678.38)	\$ (1,310.61)	\$ (2,329.23)	\$ (2,816.89)
Fresno ID	\$ (3,166.15)	\$ (19.25)	\$ (66.40)	\$ (50.25)	\$ (51.26)	\$ (305.28)	\$ (1,062.17)	\$ (438.10)	\$ (337.04)	\$ (178.08)	\$ (281.44)	\$ (376.88)
Garfield WD	\$ (1,471.14)	\$ (19.79)	\$ (36.50)	\$ (22.84)	\$ (35.13)	\$ (159.87)	\$ (461.81)	\$ (202.33)	\$ (156.24)	\$ (76.45)	\$ (135.87)	\$ (164.32)
Hills Valley ID	\$ (334.03)	\$ (6.01)	\$ (13.04)	\$ (8.16)	\$ (12.54)	\$ (57.09)	\$ (164.93)	\$ (72.26)	\$ -	\$ -	\$ -	\$ -
International ID	\$ (504.58)	\$ (6.98)	\$ (12.51)	\$ (7.83)	\$ (12.04)	\$ (54.81)	\$ (158.33)	\$ (69.37)	\$ (53.57)	\$ (26.21)	\$ (46.58)	\$ (56.34)
Ivanhoe ID	\$ (2,848.33)	\$ (38.46)	\$ (68.23)	\$ (42.75)	\$ (65.57)	\$ (298.93)	\$ (864.72)	\$ (378.68)	\$ (292.40)	\$ (143.17)	\$ (254.21)	\$ (401.20)
Kaweah Delta WCD	\$ (721.56)	\$ (6.99)	\$ (19.07)	\$ (12.79)	\$ (17.10)	\$ (84.93)	\$ (263.13)	\$ (112.60)	\$ (86.82)	\$ (43.78)	\$ (74.35)	\$ -
Kern Tulare WD	\$ (154.67)	\$ (0.63)	\$ (4.43)	\$ (3.35)	\$ (3.42)	\$ (20.35)	\$ (70.81)	\$ (29.21)	\$ (22.47)	\$ -	\$ -	\$ -
Lewis Creek WD	\$ (542.16)	\$ (6.49)	\$ (12.51)	\$ (7.83)	\$ (12.04)	\$ (54.81)	\$ (158.33)	\$ (69.37)	\$ (64.73)	\$ (31.67)	\$ (56.29)	\$ (68.07)
Lindmore ID	\$ (14,807.06)	\$ (199.80)	\$ (363.63)	\$ (230.09)	\$ (346.22)	\$ (1,596.85)	\$ (4,665.76)	\$ (2,036.19)	\$ (1,571.97)	\$ (773.07)	\$ (1,363.63)	\$ (1,659.84)
Lindsay-Strathmore ID	\$ (11,562.07)	\$ (158.60)	\$ (286.79)	\$ (179.46)	\$ (275.99)	\$ (1,256.08)	\$ (3,628.49)	\$ (1,589.73)	\$ (1,227.59)	\$ (600.70)	\$ (1,067.56)	\$ (1,291.07)
City of Lindsay	\$ (1,054.78)	\$ (18.10)	\$ (26.07)	\$ (16.31)	\$ (25.09)	\$ (114.19)	\$ (329.86)	\$ (144.52)	\$ (111.60)	\$ (54.61)	\$ (97.05)	\$ (117.37)
Lower Tule River ID	\$ (35,839.54)	\$ (475.47)	\$ (848.96)	\$ (558.82)	\$ (776.86)	\$ (3,764.11)	\$ (11,445.65)	\$ (4,928.11)	\$ (3,801.47)	\$ (1,901.94)	\$ (3,268.92)	\$ (4,069.20)
City of Orange Cove	\$ (593.78)	\$ (13.24)	\$ (14.60)	\$ (9.14)	\$ (14.05)	\$ (63.95)	\$ (184.72)	\$ (80.93)	\$ (62.50)	\$ (30.58)	\$ (54.35)	\$ (65.73)
Orange Cove ID	\$ (16,490.84)	\$ (235.72)	\$ (408.81)	\$ (255.81)	\$ (393.41)	\$ (1,790.49)	\$ (5,172.25)	\$ (2,266.09)	\$ (1,749.88)	\$ (856.27)	\$ (1,521.77)	\$ (1,840.37)
Porterville ID	\$ (7,729.98)	\$ (98.90)	\$ (182.99)	\$ (117.98)	\$ (171.04)	\$ (807.25)	\$ (2,404.04)	\$ (1,042.37)	\$ (849.05)	\$ (420.73)	\$ (733.70)	\$ (901.92)
Saucilito ID	\$ (10,386.70)	\$ (140.69)	\$ (253.26)	\$ (162.28)	\$ (238.19)	\$ (1,115.54)	\$ (3,301.34)	\$ (1,434.48)	\$ (1,093.76)	\$ (540.96)	\$ (946.08)	\$ (1,160.12)
Shafter-Wasco ID	\$ (22,702.78)	\$ (307.64)	\$ (556.50)	\$ (352.82)	\$ (528.86)	\$ (2,444.98)	\$ (7,158.08)	\$ (3,121.74)	\$ (2,409.94)	\$ (1,186.20)	\$ (2,089.63)	\$ (2,546.40)
S.S.J.MU.D.	\$ (42,744.26)	\$ (577.21)	\$ (1,051.43)	\$ (663.14)	\$ (1,004.23)	\$ (4,613.72)	\$ (13,435.98)	\$ (5,870.27)	\$ (4,532.27)	\$ (2,237.54)	\$ (3,953.22)	\$ (4,805.22)
Stone Corral ID	\$ (4,207.30)	\$ (60.59)	\$ (104.29)	\$ (65.26)	\$ (100.36)	\$ (456.76)	\$ (1,319.45)	\$ (578.08)	\$ (446.40)	\$ (218.44)	\$ (388.21)	\$ (469.48)
Tea Pot Dome WD	\$ (3,072.26)	\$ (40.95)	\$ (75.09)	\$ (46.99)	\$ (72.26)	\$ (328.87)	\$ (950.01)	\$ (416.22)	\$ (334.80)	\$ (163.83)	\$ (291.15)	\$ (352.11)
Terra Bella ID	\$ (12,193.83)	\$ (168.36)	\$ (302.43)	\$ (189.25)	\$ (291.04)	\$ (1,324.60)	\$ (3,826.41)	\$ (1,676.44)	\$ (1,294.55)	\$ (633.46)	\$ (1,125.80)	\$ (1,361.50)
Tri Valley WID	\$ (106.62)	\$ (1.65)	\$ (4.17)	\$ (2.61)	\$ (4.01)	\$ (18.27)	\$ (52.78)	\$ (23.12)	\$ -	\$ -	\$ -	\$ -
Tulare ID	\$ (18,599.14)	\$ (242.82)	\$ (437.70)	\$ (290.24)	\$ (397.45)	\$ (1,944.20)	\$ (5,955.23)	\$ (2,557.88)	\$ (1,972.82)	\$ (990.10)	\$ (1,693.73)	\$ (2,116.98)
Total Friant-Kern Canal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percent of Total												
Madera Canal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chowchilla WD	\$ (29,897.88)	\$ (377.55)	\$ (715.24)	\$ (466.11)	\$ (661.33)	\$ (3,163.43)	\$ (9,522.94)	\$ (4,114.08)	\$ (3,174.19)	\$ (1,581.31)	\$ (2,735.54)	\$ (3,386.16)
Gravelly Ford	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Madera ID	\$ (43,617.07)	\$ (565.67)	\$ (1,051.13)	\$ (679.30)	\$ (980.18)	\$ (4,639.53)	\$ (13,849.51)	\$ (6,000.20)	\$ (4,630.22)	\$ (2,298.35)	\$ (3,997.72)	\$ (4,925.26)
Total Madera Canal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percent of Total												
Millerton Lake		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Fresno County Wwks#18	\$ (63.52)	\$ (1.32)	\$ (1.56)	\$ (0.98)	\$ (1.51)	\$ (6.85)	\$ (19.79)	\$ (8.67)	\$ (6.70)	\$ (3.28)	\$ (5.82)	\$ (7.04)
(2) Gravelly Ford	\$ (598.38)	\$ (10.96)	\$ (12.40)	\$ (9.38)	\$ (9.57)	\$ (56.99)	\$ (198.27)	\$ (81.78)	\$ (62.91)	\$ (33.24)	\$ (52.54)	\$ (70.35)
(2) County of Madera	\$ (84.02)	\$ (1.09)	\$ (2.09)	\$ (1.31)	\$ (2.01)	\$ (9.14)	\$ (26.39)	\$ (11.56)	\$ (8.93)	\$ (4.37)	\$ (7.76)	\$ (9.39)
Total Millerton Lake	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percent of Total												
Total Friant Unit	\$ (395,822.44)	\$ (5,281.12)	\$ (9,583.86)	\$ (6,159.52)	\$ (8,986.57)	\$ (42,245.15)	\$ (125,404.15)	\$ (54,433.21)	\$ (42,009.71)	\$ (20,802.55)	\$ (36,315.53)	\$ (44,601.07)

Agenda Report

No. 3.D

DATE: December 10, 2021

TO: Board of Directors

FROM: Wilson Orvis, CFO

SUBJECT: State Funding Resolution and Agreement – Friant-Kern Canal Capacity Correction Project

SUMMARY:

On November 30, 2021, the Department of Water Resources, State of California (DWR), notified FWA that it had been conditionally awarded State funding under the Conveyance Subsidence Program (Program) approved under the California Budget Act of 2021, which authorizes funding to restore capacity to portions of the California Aqueduct, San Luis Canal, Delta-Mendota Canal, and Friant-Kern Canal lost to land subsidence. Of the initial \$100 million in State funding provided under the Program, \$39.2 million has been identified for the Friant-Kern Canal.

In order to enter into a funding agreement under the Program, Friant Water Authority must provide DWR with various submittals (including, but not limited to, a scope of work, budget, assurances, etc.). All submittals have been requested to be provided by January 5, 2022 so that DWR's Director may formally determine that the Friant-Kern Canal Capacity Correction Project is an authorized project under the Program, and to facilitate finalization of the funding agreement.

One of the required submittals is a Local Public Agency Authorizing Resolution (Attachment 1).

FINANCE COMMITTEE:

The Finance Committee met on December 7, 2021 and passed a motion to recommend that the Board of Directors approve the DWR Local Public Agency Authorizing Resolution for the Friant-Kern Canal Capacity Correction Project.

RECOMMENDED ACTION:

The Board of Directors approve the DWR Local Public Agency Authorizing Resolution for the Friant-Kern Canal Capacity Correction Project.

SUGGESTED MOTION:

A motion for the Board of Directors to adopt Resolution 2021-15 the DWR Local Public Agency Authorizing Resolution for the Friant-Kern Canal Capacity Correction Project.

BUDGET IMPACT:

There is no adverse impact to the budget, funding provided by the State for the project will be used to satisfy the 50% non-Federal cost-share required by Cost-Share Agreement with the Bureau of Reclamation.

ATTACHMENTS:

- 1) Resolution 2021-15 Local Public Agency Authorizing Resolution.

Resolution No. 2021-15

A Resolution of the Board of Directors of the Friant Water Authority Authorizing a Proposal for Funding from the Department of Water Resources and Designating a Representative to Execute the Agreement and any Amendments thereto, for the Friant-Kern Canal Capacity Correction Project

WHEREAS, the Friant Water Authority is a Joint Powers Authority organized under California law with responsibility for and authority over operations, maintenance, and replacement of the Friant-Kern Canal and is willing to participate in, coordinate, and collaborate with other interested parties that are participating in the development of the Friant-Kern Canal Capacity Correction Project;

WHEREAS, the Friant Water Authority is authorized to enter into an agreement with the Department of Water Resources and the State of California;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Friant Water Authority as follows:

1. That pursuant and subject to all of the terms and conditions of the Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the Friant Water Authority will submit a proposal to obtain funding for the Friant-Kern Canal Capacity Correction Project to the Department of Water Resources.

2. That the Board of Directors authorizes the Chief Executive Officer, or designee, to execute the funding agreement with the Department of Water Resources and any amendments thereto.

3. That the Chief Executive Officer, or designee, will prepare the necessary data, make investigations, and take other such actions as necessary and appropriate to execute the Friant-Kern Canal Capacity Correction Project.

APPROVED AND ADOPTED on December 10, 2021.

Cliff Loeffler, Chair

ATTEST:

Jim Erickson, Secretary/Treasurer

I , Jim Erickson, Secretary/Treasurer of the Friant Water Authority, certify that Resolution No. 2021-15 was duly adopted by the Board of Directors of the Friant Water Authority at a regular meeting held on December 10, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jim Erickson, Secretary/Treasurer
Friant Water Authority

AGENDA REPORT

NO. 4.A

DATE: December 10, 2021

TO: Board of Directors

THROUGH: Johnny Amaral, Acting Chief Operating Officer

FROM: Janet Atkinson, Stantec; Lindy Lee, BRI

SUBJECT: Friant-Kern Canal Middle Reach Capacity Correction Project Update

SUMMARY OF KEY DEVELOPMENTS: The following is a summary of the key developments this month:

- Reclamation issued the Notice to Proceed to Brosamer & Wall/Tutor Perini Joint Venture (BWI/TPC JV) on November 1st, one week earlier than scheduled. The Contract completion date of September 1, 2024 remains unchanged.
- Conducted the Post- Award Conference and Pre-Construction field meeting with BWI/TPC JV.
- BWI/TPC JV initiated mobilization activities.
- Of the 27 parcels needed for the new ROW: 6 parcels have closed escrow, 9 parcels are in escrow, BRI has tentative agreements for 11 APNs, and Burke, Williams & Sorensen, LLP (BWS) is seeking an order of possession for 1 parcel.
- A total of 16 relocation designs have been prepared by Southern California Edison (SCE), and the SCE Master Facilities Relocation Agreement Is fully executed

DISCUSSION/UPDATE: The table below provides a summary update on the Project schedule. Following the schedule update is a summary update for the land acquisition process.

Schedule Update –The Phase 1 milestone for the Project Notice to Proceed to BWI/TPC JV was met recently. See below table for upcoming milestones.

Milestone	Date
Notice to Proceed to Construction Contractor	November 1, 2021
Replacement Pump Stations Design Completion	March 11, 2022
Canal and Turnout Tie-ins	January 26, 2024
Construction Completion	September 1, 2024

Land Acquisition Summary - The FWA and Reclamation land acquisition team is jointly progressing the land acquisition process. The parcels are being purchased by either FWA or Reclamation, with all the parcels ultimately being transferred to Reclamation for construction of the Phase 1 Project.

Description	Summary Data
Number of APNs and owners	27 APNs, 18 owners
Number of parcels closed	6 APNs
Number of parcels in escrow	9 APNs
Number of parcels with tentative agreements	11 APNs
Number of parcels subject to Order of Possession	1 APN

Phase 1 Project Construction

- Conducted the Post- Award Conference with BWI/TPC JV on October 29th.
- Conducted the Pre-Construction field meeting at FWA's Lindsey office on November 2nd. The purpose of the meeting was to establish lines of communications and authority, discuss project requirements, discussed planned schedule, and discuss concerns and how to address them. Approximately 30 persons were in attendance and included representatives from FWA, Reclamation, Stantec and Tulare County.
- Notice to Proceed was issued November 1st, one week earlier than scheduled. The Contract completion date of September 1, 2024 remains unchanged.
- Conducted several weekly construction progress meetings. Topics discussed included near-term look ahead schedule, mobilization status, safety, quality control, submittal and requests for information status, planned environmental surveys.
- BWI/TPC JV conducted mobilization activities including setting up the contract document management system, arranging for field offices, subcontractor coordination, submittal preparation, preparation of baseline schedule,
- Approximately 18 requests for information have been submitted and are in various stages of review and response.
- Approximately 25 submittals have been received and are in various stages of review and response.
- The BWI/TPC JV baseline schedule has been received and is currently under review.

Environmental Compliance, Cultural Resources and Permitting

- Submitted the Biological Resources Management and Monitoring Plan and received comments from Reclamation.
- Submitted the revegetation plan for work in Deer Creek to Reclamation for review, received comments and incorporated the comments into the plan. This has now been submitted to the United States Army Corps of Engineers and is under review.
- Prepared the worker environmental awareness training materials, submitted to Reclamation for review, and received review comments.

- Received Reclamation comments on the draft Environmental Compliance and Mitigation Plan previously submitted.
- Continued to progress the Historic Treatment Properties Plan. The narrative has been drafted, submitted for Reclamation review, and review comments received and incorporated into the document. The land photography has been completed and the aerial photography is scheduled to be conducted in early December. The measured drawings have also been drafted.
- Submitted the field biologists resumes to the United States Fish and Wildlife Service for review and approval.

Engineering and Design

- Supported specialty utility relocation firm in providing utility relocation materials requested by utility companies.
- Completed review of several utility relocation designs prepared by impacted utility companies.
- Supported the land acquisition team as needed. Activities included preparation of materials for landowners and addressing items as they arise.
- Submitted the replacement pump station 60-percent submittal and started the 60-percent cost estimate.
- Initiated construction procurement discussions for the replacement pump stations.
- Continued to prepare responses to CALTRANS comments on SH 190 (outside of the Phase 1 work limits).

Land Acquisition for Phase 1 Project

- BRI has closed six (6 APNs) escrows (out of 27).
- BRI has obtained signed agreements that are in escrow for nine parcels (9 APNs).
- BRI has eleven (11 APNs) tentative agreements.
- BWS is seeking an order of possession for 1 parcel.
- SCE delivered 16 relocation plans through OPC.
- The SCE Master Facilities Relocation Agreement is fully executed.

FUTURE ACTIVITIES PLANNED. The following activities are planned for the next reporting period.

- Phase 1 Project Construction– Field survey activities are planned for mid-December and right-of-way clearing work is anticipated to start in early January. Continue mobilization activities including field office and staging areas setup. Continue submittal preparation and review, and preparation and response to requests for information.
- Environmental Compliance, Cultural Resources and Permitting – Prepare revised project description for the environmental compliance needs for the replacement pump stations. Complete preparation of the HPTP. Provide final documents for the environmental plans described in the EIR/S mitigation measures including the Biological Resources Management and Monitoring Plan and the Environmental Compliance and Mitigation Plan and other documents. Conduct environmental preconstruction surveys and training needed to support the contractor's planned schedule of activities.
- Engineering and Design – Continue to support the utility relocation coordination and review designs prepared by others. Continue to support the land acquisition team. Coordinate with Friant Division Contractors and Reclamation on the replacement pump stations and coordinate review of the 60-

percent design submittal. Complete a preliminary construction schedule and construction cost estimate. Continue discussions for the replacement pump station construction procurement strategy. Support Caltrans encroachment permit for the SH190 crossing as needed. Continue support for construction.

- Land Acquisition:
 - BRI will continue to work with the owners to complete the purchases.
 - BRI will continue to prepare administrative settlements.
 - SCE to deliver finalized relocation plans for all conflicts in Phase 1.
 - OPC will finalize permit/easement/Joint Use Agreement process and necessary documentation required by BOR.
 - OPC to begin processing invoicing from SCE to allow for relocation work to proceed.
 - OPC to prepare cost estimate for the SCE service connections to 5 pump stations.
 - OPC will continue to coordinate with the assorted utility owners and the Project Team through the completed relocation of utility owner facilities.
- Landowner Coordination and Outreach: Anticipated activities include continued facilitation of Right-of-Way team meetings and provide as-needed website management.

Agenda Report

No. 4.B

DATE: December 10, 2021

TO: Board of Directors

FROM: Ian Buck-Macleod, Water Resources Manager

SUBJECT: Water Operations Update

SUMMARY:

CVP allocations have remained unchanged from May 26th, but the CVP allocation for Friant was increased to 25% for Class 1 on November 1st. Updated CVP operations projections were made available in at the beginning of December, which includes an outlook for the coming water year at 90% and 50% exceedance probability hydrology. A significant debt in CVP project supply in Federal San Luis remains, despite the payback of all borrowed SWP water. Most upstream reservoirs are releasing the minimum flow requirements to conserve storage. Hydrologic conditions look to return a more active storm pattern beginning this weekend and continuing for at least the next week.

DISCUSSION:

Inflow Forecasts

After the exceptional storm at the end of October and some smaller storms in the first half of November, conditions have generally been dry and temperatures have been mostly above average for the last month. Precipitation across the State as a percent of normal currently ranges from 57% to 148%. Current forecasts suggest several larger storms will impact most of the State this weekend and next week, with relatively large amounts of snow expected in the Sierras. Overall, between 5 and 7 inches of precipitation are expected in most of the Sierra, and between 1 and 2.5 inches of precipitation in the Sacramento and San Joaquin Valleys. Longer range forecasts suggest conditions are likely to dry out after these storms, but may return to being wet during the week of the 20th.

Although still early in the water year, Table 1 shows the unimpaired inflow forecasts for Shasta and Millerton from the California Nevada River Forecast Center (CNRFC) and the California Department of Water Resources (DWR), respectively. As a result of the shortage criteria, unimpaired inflow to Shasta in WY 2022 needs to be at least 4.0 MAF this year to avoid a Shasta Critical year. The CNRFC's 50% exceedance forecast for both Shasta and Millerton unimpaired inflow indicates a 50% chance of near average inflow.

Table 1. Unimpaired Inflow Forecasts for WY 2022

Item	Exceedance		
	90%	50%	10%
CNRFC Shasta Unimpaired Inflow (TAF) ¹	3350	4580	8550
DWR Shasta Unimpaired Inflow (TAF) ²	3130	4825	7675
CNRFC Millerton Unimpaired Inflow (TAF) ¹	959	1820	3410
DWR Millerton Unimpaired Inflow (TAF) ²	595	1335	2665

Notes:

¹ As of December 8.

² As of December 1.

CVP NOD Operations

Overall CVP North-of-Delta Reservoirs are at mostly below-normal storage levels for this week based on their 15-year average – Trinity, Shasta, and Folsom are 55%, 51%, and 99% of average, respectively. Shasta reservoir releases were reduced in early-November to the minimum flow requirement. All other reservoirs are at or near the minimum flow requirement for this time of year. All reservoirs saw significant storage improvements from the late-October and early-November storms. However, those gains have flatlined during the dry period over the last few weeks.

Figures 1 and 2 show the projected Shasta Lake and Millerton Lake storage through February based off the most recent CVO and SCCAO projections, respectively, as compared to actuals to date. Shasta storage has trended above the 90% exceedance from CVO for most of the past few months, although has dipped below during the recent dry spell. In recent weeks, Millerton Lake storage has trended near the forecast as inflows had increased. Recent storage levels have fallen below the 90% forecast as inflows have dropped off and San Joaquin River Restoration Program (SJRRP) releases have resumed.

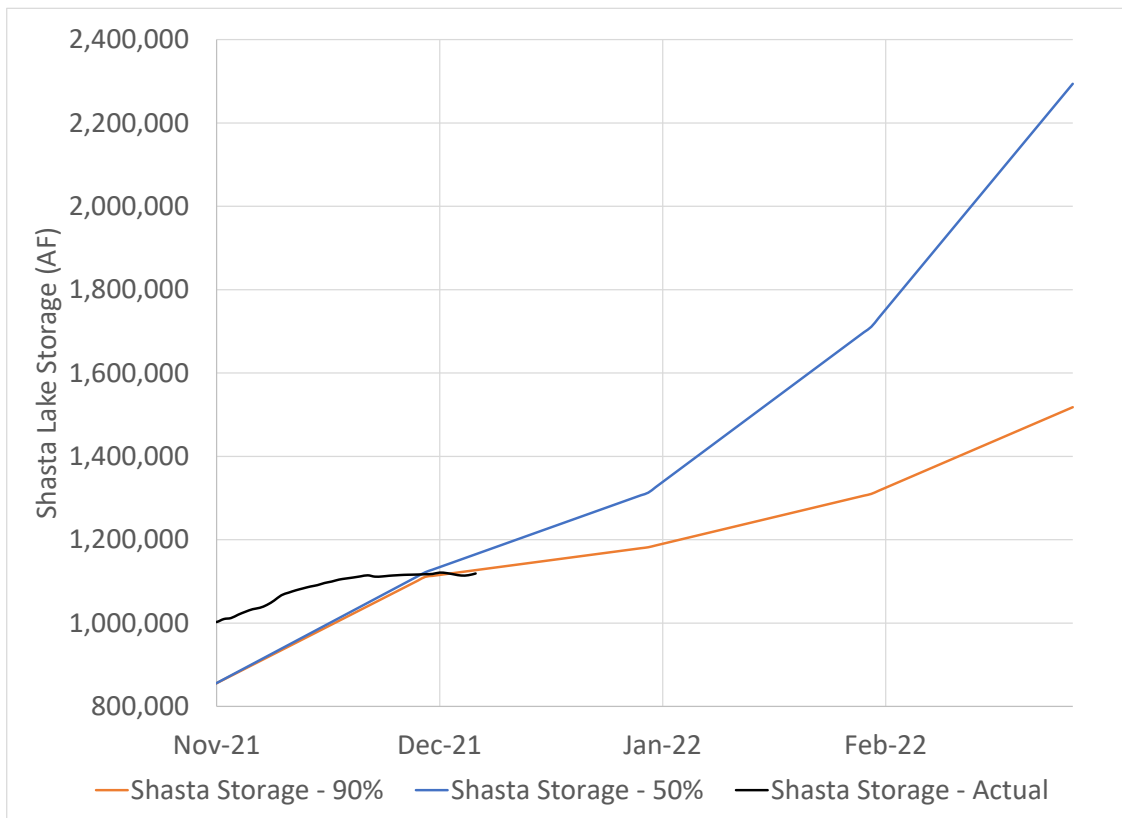


Figure 1. Shasta Lake Storage – December Exceedance Projections Compared to Actuals

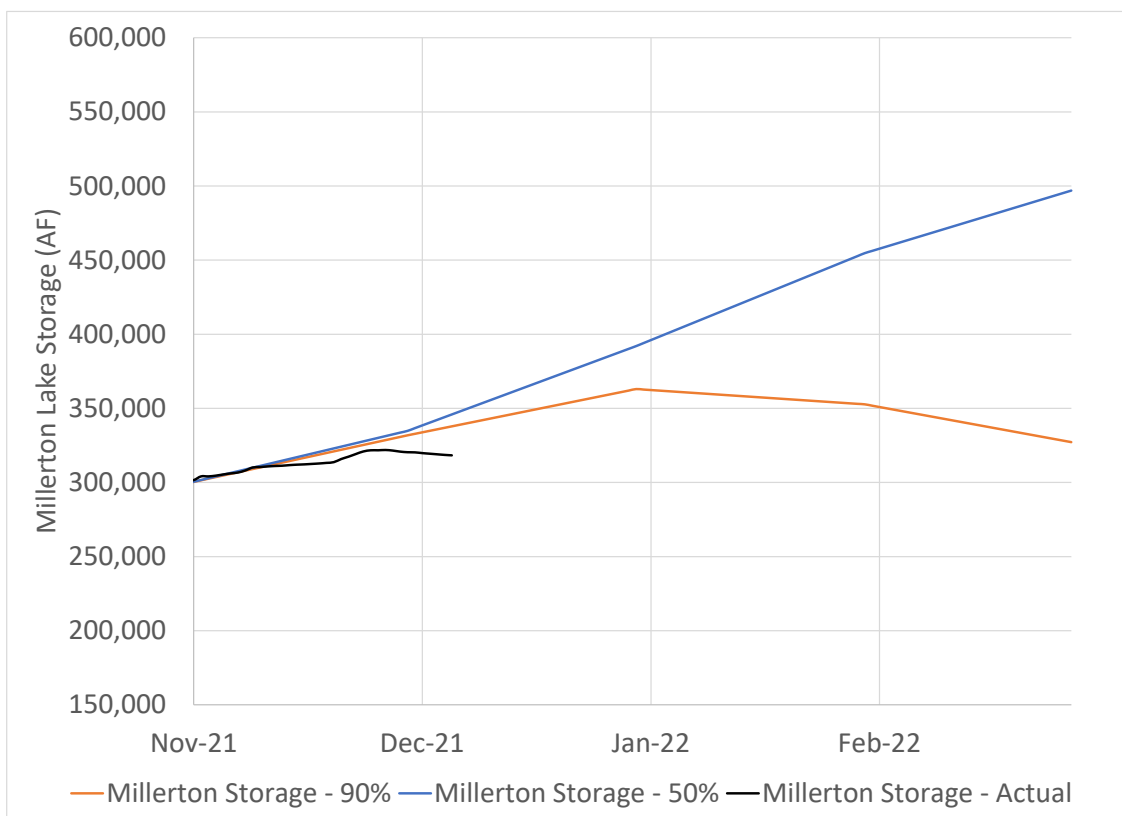


Figure 2. Millerton Lake Storage – November Exceedance Projections Compared to Actuals

CVP SOD Operations

Delta Operations

Exports increased to at or near capacity in late-October to take advantage of the inflows available from the storm events. Exports slowly declined through November and were reduced to minimums (800 cfs at Jones Pumping Plant) in early-December. Exports are likely to increase sometime next week as additional inflow to the Delta becomes available in response to the expected storms. As a result of the current COA debt, the CVP and SWP have agreed that the CVP has first right to export all available Delta inflows that become available above minimum pumping levels.

Figure 3 shows the projected daily Jones pumping through February as compared to actuals to date. Pumping had trended at or above forecasted levels until being in reduced in recent weeks due to dry hydrologic conditions.

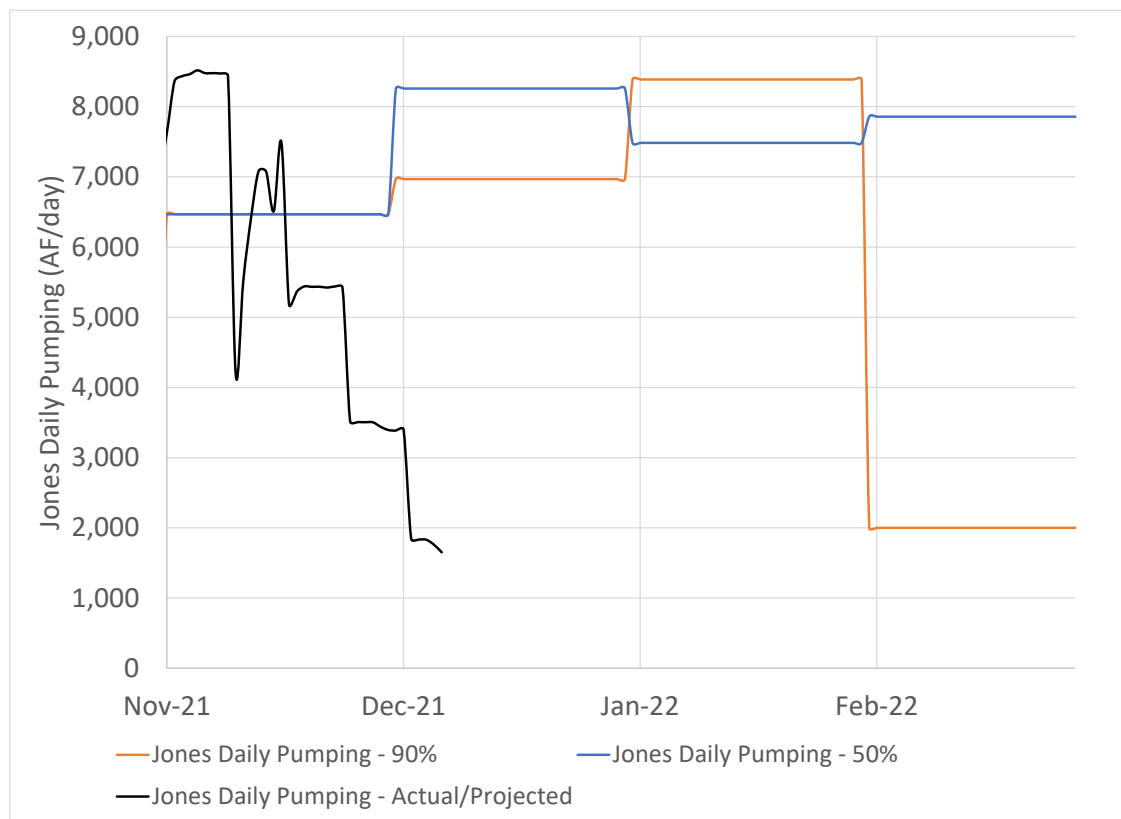


Figure 3. Daily Jones Pumping – December Exceedance Projections Compared to Actuals

On November 30th, the SWRCB re-implemented a number of curtailments on several of the major tributaries in the Sacramento-San Joaquin Delta watershed. An update on December 7th indicated that several of these curtailments remain in effect, including in the Upper San Joaquin River subwatershed. In the Upper San Joaquin, all appropriative water rights with a priority date of 1919 or junior are currently curtailed.

San Luis Operations

CVP San Luis Reservoir storage is at 50 TAF—12% of its 15-year average. The 100 TAF borrowed from SWP San Luis this past summer has been fully paid back over the last month. Figure 4 shows the projected San Luis Federal storage through February as compared to actuals to date.

Three “actual” lines are shown, including the actual physical storage (green), the actual “project” storage (black), and the cumulative Federal San Luis debt (yellow). Actual physical storage has been trending slightly below the forecasted level due to lower than forecast exports in November and the payback of the 100 TAF of borrowed water from SWP San Luis. The remaining Federal debt includes contractor carryover supplies (rescheduled, transfer, and non-project supplies) that were used by the CVP to meet SOD Project demands from San Luis this summer. The actual “project” storage (black) is essentially the difference between actual physical storage (green) and cumulative Federal San Luis debt (yellow – estimated 140 TAF). Based off current forecasts, this debt could be paid back this month; however, this assumes a high level of exports for the remainder of the month, beginning next week (during and after the expected storm events).

Additional detail on the forecasted San Luis reservoir accounting is provided in Table 2, below. Similar to Figure 4, Table 2 demonstrates that until last month, Project exports had been insufficient to meet existing SOD Project demands. The accumulated “debt” began to be repaid in November, and assuming export levels reach the forecasted December levels, storage of project water will be occurring. As noted above, CVP Project supply will not begin to be stored in San Luis until actual storage is greater than the current level of debt.

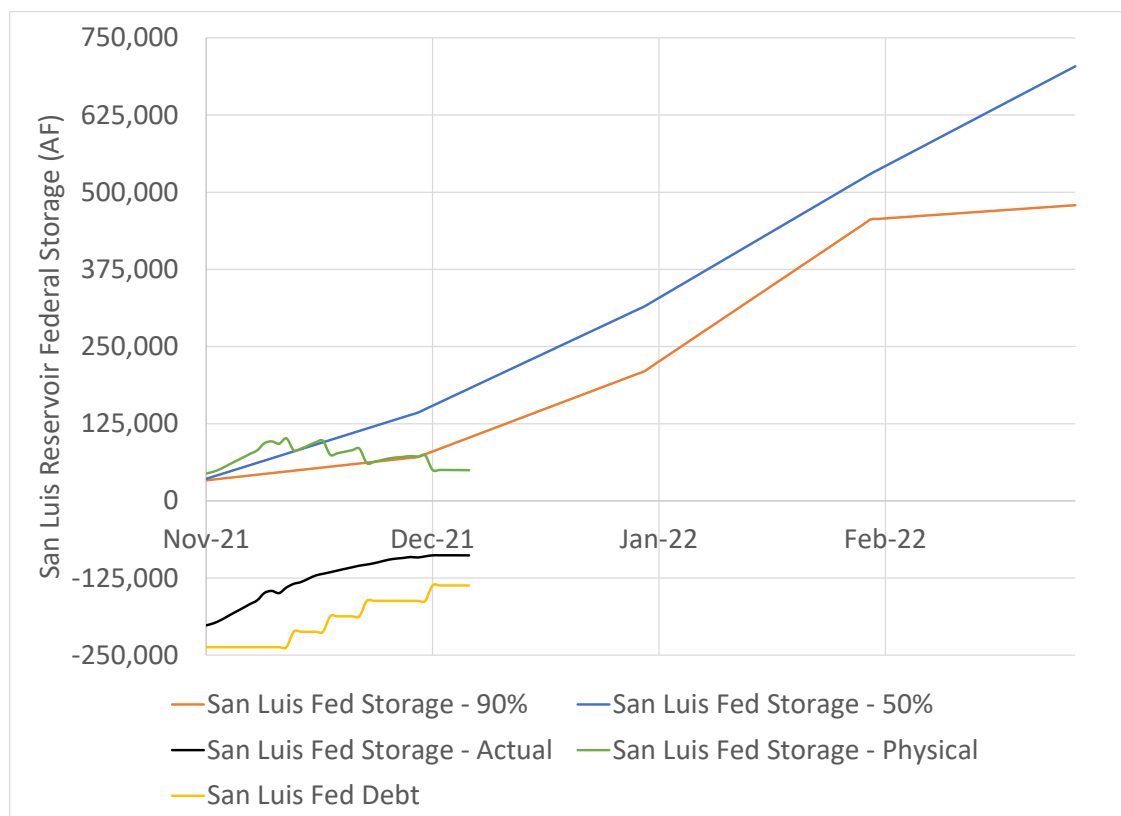


Figure 4. San Luis Federal Storage – December Exceedance Projections Compared to Actuals

Table 2. Forecasted San Luis Reservoir Accounting

	Aug	Sep	Oct	Nov	Dec	Total
Transfer Export	18	101	58	0	0	177
Project Export	35	27	46	183	180	472
Total Export	53	128	104	183	180	649
DMC/Pool	107	72	93	60	44	376
Dos Amigos	21	23	4	4	2	55
Pacheco	9	7	7	7	4	34
CVP SL Evap	8	5	3	1	1	18
Total Use	144	108	107	72	51	482
CVP SL Storage	-75	-59	-60	45	175	
Transfer Use	20	20	0	0	0	40
Reschld / other use	40	40	10	8	8	106
Project Use	84	48	97	64	43	336
Transfer export-use	-2	81	58	0	0	137
Project export-use	-49	-21	-51	119	138	135
SL transfer storage	-2	79	137	137	137	
Deficit (tot SL - transf)	-73	-139	-197	-92	38	

Friant Exchanges

Friant Division water supplies were exchanged in 2021 with the SWP in San Luis Reservoir to Reclamation deliveries for CVP purposes to avoid Friant Dam releases down the San Joaquin River to meet the Exchange Contractor demands. Friant deliveries to the CVC are ceased on October 31 with a total delivery of 44 TAF for an exchange of 38 TAF in San Luis Reservoir considering losses.

In addition to this exchange, Delano-Earlimart ID has exchanged 2,523 AF of its 2020 SJRRP Recapture water in San Luis Reservoir for a like amount in Millerton Lake to support meeting CVP purposes from San Luis Reservoir. Additional Friant Contractors are also planning to exchange Recapture water, which will complete all exchanges of just under 50 TAF from Millerton Lake for 2021.

At this time, initial forecasts suggest there is about a 15% chance that water from Friant will be needed to meet Exchange Contractor demands during the 2022 irrigation season. There are many factors that can affect the need for Friant releases, the most likely include: overall hydrologic conditions, submittal and approval of Temporary Urgency Change Petitions for Project operations, and the 2022 Interim Operations Plan. Each of these items will continue to be tracked as the water year develops.

Friant Division Allocation

Friant Division Contractors

The initial CVP Friant allocation of 20% of Class 1 supplies (160 TAF) was increased to 25% on November 1st. Reclamation stated that carryover into water year 2022 will be limited to the lesser of a) The Contractor's amount of unused Class 1 as of October 31st or, b) 10% of Maximum Class 1 contract quantity.

San Joaquin River Restoration Allocation

An updated and final allocation was released on June 25th, with the allocation remaining at a Critical-High level of 70,919 AF. On November 15th, the Restoration Administrator submitted a revised flow recommendation. The recommendation is based in part on recent evaluations of temperature conditions in Millerton Reservoir, which, along with anticipated cooler ambient air temperatures, provide the opportunity to increase flows past Gravelly Ford on or about November 24th. Releases would increase by 100 cfs every 10 days until a target of 300 cfs of Restoration Flow at Gravelly Ford is achieved (expected on or about December 8th). The recommendation includes a series of pulses in late February that are expected to last approximately two days each. Beginning January 20th, the target flow at Sack Dam is 285 cfs or less.

San Joaquin River Restoration Recapture

WY 2021 recapture and conveyance agreements with PID and BCID have been approved by the FWA Board and both district boards. The agreements are effective March 1, 2021 through February 28, 2022. The SWRCB approved a one-year recapture permit on April 30. No recapture had occurred prior to the halting of restoration flows due to lack of capacity at both PID and BCID. Flow available for recapture is expected to begin around January 15th. From mid-January through the end of February up to 8 TAF of recapture could occur at PID and BCID. However, the ultimate volume is largely dependent on diversion capacity and available capacity in the DMC.

Agenda Report

No. 4.B(c)

DATE: December 10, 2021

TO: Board of Directors

FROM: Ian Buck-Macleod, Water Resources Manager

SUBJECT: **Friant-Kern Canal Water Quality Guidelines**

SUMMARY:

In response to concerns regarding programs and projects on the Friant-Kern Canal (FKC) which could potentially introduce water of lesser quality, as compared to historic Millerton Lake water quality, FWA is working with Friant Contractors and Reclamation to implement a revised FKC Water Quality Guidelines. In addition to helping streamline future contractor pump-in projects, the Guidelines are paramount to completion of the environmental compliance documents for the Long-Term Recapture and Recirculation of Restoration Flows Project for the San Joaquin River Restoration Program, as well as the Friant-Kern Canal Reverse Pump-Back Project.

BACKGROUND:

FWA staff presented Draft Guidelines in the summer of 2020 during Friant-wide workshops and to the Board. The Guidelines included a Water Quality Mitigation Ledger, Water Quality Monitoring Plan, and a Water Quality Model that were developed through coordination with the Ad Hoc Committee. The Ad Hoc Committee is made up of Friant Contractor directors and district managers from Arvin-Edison Water Storage District (AEWSD), Delano-Earlimart Irrigation District (DEID), Kern-Tulare Water District, Lindsay Strathmore ID (LSID), Lower Tule River ID, Pixley ID, Porterville ID (PID), Shafter-Wasco ID (SWID), Saucelito ID (SID), and Terra Bella ID (TBID).

In the summer of 2021, FWA staff presented to the Board and Ad hoc Committee updates to the Guidelines based on considerable coordination with Reclamation. Reclamation has indicated it will not directly adopt the updated Guidelines at this time, however, will consider permitting FWA to implement the Guidelines in a manner that is binding on all parties that desire to introduce non-Millerton water into the FKC. In order for Reclamation to consider permitting FWA to implement the Guidelines, Reclamation is requesting that Friant Contractors develop an agreement to voluntarily enact these Guidelines.

CURRENT STATUS:

FWA staff have been meeting with Shafter-Wasco Irrigation District and Cross Valley Contractors to address concerns related to the current version of the Guidelines. In addition, FWA counsel is developing a draft Guidelines Agreement for contractors' and Reclamation review and consideration. FWA staff are continuing to coordinate with Reclamation on accounting procedures related to the Guidelines. FWA staff will provide an update to the Ad Hoc Committee in January 2022 on potential proposed changes to the Guidelines, and draft Guidelines Agreement. If acceptable, FWA will request Reclamation review, and evaluate next steps in the voluntary agreement process, and CEQA compliance prior to Board action.

AGENDA REPORT

NO. 4.C

DATE: December 10, 2021

TO: Board of Directors

FROM: Alex Biering, Government Affairs and Communications Manager
Johnny Amaral, Chief of External Affairs

SUBJECT: External Affairs Update

SUMMARY:

Update on State and Federal affairs and communications activities.

DISCUSSION:

State Affairs

Conveyance Funding/SB 559

On November 29, the California Department of Water Resources (DWR) put out a news release (attached) announcing forthcoming distribution of the \$100 million toward restoring lost conveyance capacity on the Friant-Kern Canal, Delta-Mendota Canal, and California Aqueduct that was included in the 2021/2022 State Budget. The release committed to \$39.2 million next year to FWA for the Friant-Kern Canal, and noted specifically that “The 2021-22 State Budget Act appropriated \$100 million for this program and authorized an additional \$100 million for next fiscal year. This state-funded program is part of a cooperative approach to fixing California’s water conveyance infrastructure being pursued by local, state, and federal agencies, who will financially support the projects.” That same day, the SB 559 coalition released a statement (attached) thanking the Newsom Administration for their investment in the San Joaquin Valley and Southern California. Working with DWR staff and management, FWA staff have finalized agreements to allow the distribution of funds in early 2022.

Federal Affairs

Temporary CR Enacted to Fund Government Through February 18; Debt Ceiling Raise Expires

The House and Senate were in session this week.

Congressional leaders averted a government shutdown last week after striking a bipartisan deal on legislation to extend current government funding through February 18, 2022. Both the House and Senate approved the measure, H.R. 6119, and President Biden signed it into law before the expiration of the first temporary continuing resolution (CR) on December 3. The new CR does not make any changes to FY 2021 funding levels extended for current energy and natural resource programs.

Congressional appropriators will now turn to working on a compromise omnibus bill that would include all 12 annual spending bills for FY 2022. None of the 12 appropriations bills have been signed into law; the House did pass most of its bills, but the Senate has not passed any of them. Major differences remain between Democrats and Republicans including a dispute over whether there should be parity in the top line spending limits for defense and domestic spending increases. Democrats have proposed large increases for EPA and the Interior and Energy Departments. Also, negotiators will need to deal with contentious policy riders, including several repealing or expanding environmental protections. Some GOP Senate appropriators have suggested that, without an agreement early next year, a long-term CR could be the only way to fund the government for the rest of FY 2022.

In addition to spending legislation, Congress continues to struggle with how to raise the nation's federal borrowing limit. A short-term debt ceiling extension expired on December 3. Treasury Secretary Janet Yellen has said she could take steps that would avoid a federal default until mid-December but not beyond then. Congressional Democrats want the debt ceiling raised on a bipartisan basis, while the GOP wants Democrats to go it alone in their Build Back Better (BBB) budget reconciliation package which, once finalized, could be passed without Republican votes. But Democrats argue the debt limit applies only to spending that has already been enacted, not to spending that is still under consideration, and should be dealt with outside the BBB package.

Senate Democrats Push to Finalize Build Back Better Budget Reconciliation Bill

Senate Democrats are looking to finish changes to the budget reconciliation bill in the coming days before moving it to the floor as soon as next week. Senate Majority Leader Chuck Schumer (D-NY) has said he wants the Senate to pass the Build Back Better (BBB) legislation before Christmas. But persistent concerns from Senate Energy and Natural Resources Committee Chairman Joe Manchin (D-WV), including on major climate provisions in the \$1.7 trillion bill, have slowed progress on the House-passed legislation. And Sen. Kyrsten Sinema (D-AZ), who has said she supports the budget reconciliation effort but has also expressed concerns throughout the process, has said she doesn't think it will be done by Christmas. Schumer will need support from all Senate Dems to successfully move the legislation in the 50-50 Senate, with the Vice President breaking any potential tie.

In the coming days, the Senate parliamentarian will review climate and environment provisions of the House-passed budget reconciliation package to make sure they follow Senate rules (e.g., certain authorizing provisions not related to budgetary impacts in the House bill would not be allowed). The "Byrd bath" process, named after former Senate Majority Leader Robert Byrd (D-WV), will review objections from Republicans over House provisions that could be rejected, significantly changing the bill and requiring the House to vote again on any Senate passed measure. If passed by the Senate, we believe the BBB will have to wait until early next year for a final vote in the House, and with only a 3-vote margin, House Democrats will need almost complete agreement in both progressive and moderate caucuses to move a Senate-passed bill.

Biden EPA Urges Supreme Court to Deny Idaho Couple's Bid for Narrow WOTUS Test

The Biden Administration's Environmental Protection Agency (EPA) is urging the U.S. Supreme Court to deny a petition from Idaho landowners who want the court to endorse the late Justice Antonin Scalia's narrow test for determining what wetlands are regulated under the Clean Water Act (CWA) as "waters of

the United States” (WOTUS) in *Rapanos v. United States*. EPA argues that the agency is currently rewriting regulations defining WOTUS and the court should wait for challenges to the new rule once it is promulgated.

In *Sackett v. EPA*, Chantell and Michael Sackett from Idaho argue their long-running dispute with EPA over whether the land they own is subject to CWA requirements as a WOTUS is an excellent vehicle for the Supreme Court to finally provide clarity on the scope of the water law. Traditionally, agencies are deferred to by courts for their technical knowledge in implementing the law, but recently the Court agreed to review the agency’s authority to regulate power plant greenhouse gas emissions over the objections of the Biden EPA.

The petition asks the Court to overturn a unanimous ruling from the U.S. Court of Appeals for the 9th Circuit, where a three-judge panel rejected the Sacketts’ argument that courts should abandon the “significant nexus” CWA jurisdiction test articulated by then-Justice Anthony Kennedy in *Rapanos v. United States*.

EPA Announces Billions of Dollars from IIJA for Water System Upgrades

Biden Administration EPA Administrator Michael Regan in a letter to governors across the nation said the agency would make available \$44 billion in water funding over the next five years through state revolving funds (SRFs) from the newly passed Infrastructure Investment and Jobs Act (IIJA). The first allocation of funding to be made available in 2022 is \$7.4 billion, which will be allocated to states, tribes, and territories. Almost half of the funding will be in the form of grants or fully forgivable loans, according to EPA. The funding can be used to make upgrades to drinking water and wastewater systems and tackle everything from lead contamination to “forever chemicals” known as PFAS. As the next step in the process, Administrator Regan said EPA Assistant Administrator for the Office of Water, Radhika Fox would soon issue national guidance to state primacy agencies on the use of the water infrastructure funding.

Biden Administration Overturns Trump CA Water Pipeline Approval

In a court filing on Friday, the Biden Administration said the Trump Administration used a “rushed process” to approve rights of way to Cadiz Inc. for moving water from the Mojave Desert to the Los Angeles area using a former natural gas pipeline and did not adequately follow the National Environmental Policy Act (NEPA). For decades, Cadiz has been exploring ways to deliver water from a groundwater aquifer under its property to Southern California. DOJ said in its filing that Cadiz has pursued multiple potential routes to ship the water. At issue in the current case is a plan to convert part of an abandoned natural gas pipeline to move up two 50,000 acre-feet of water annually. The Trump Administration’s Bureau of Land Management in December 2020 approved the use of rights of way over federal lands for the pipeline that Cadiz purchased from a natural gas company along with granting additional rights of way. The Center for Biological Diversity, the Sierra Club and other groups challenged that decision in the U.S. District Court for the Central District of California. DOJ’s motion will be subject to a hearing at the court in March before the judge rules on whether to grant the Administration’s reversal.

ATTACHMENTS:

News Release: “DWR Initiates \$100 Million Funding Program to Rehabilitate Four Major Water Conveyance Facilities,” California Department of Water Resources, Nov. 29, 2021; Statement: “SB 559 Sponsors Respond to DWR \$100 Million Funding Program to Begin Repairing Subsidence Damage to Four of California’s Most Important Water Delivery Systems,” State Water Contractors, Friant Water Authority, and San Luis & Delta-Mendota Water Authority, Nov. 29, 2021; Family Farm Alliance Executive Director’s Report for December 2021.



DWR Initiates \$100 Million Funding Program to Rehabilitate Four Major Water Conveyance Facilities

Published: Nov 29, 2021

SACRAMENTO, Calif. –Today, the California Department of Water Resources initiated a \$100 million funding program to restore capacity to portions of the California Aqueduct, San Luis Canal, Delta-Mendota Canal, and Friant-Kern Canal lost to land subsidence occurring during the last several decades.

“Fixing these canals is an important foundational piece to ensure a reliable and climate resilient water supply for California,” said DWR Director Karla Nemeth. “It enables us to move water during very wet conditions, which will be essential to adapting to more extreme weather. Restoring capacity in our existing infrastructure provides a critical link in diversifying water supplies by supporting groundwater replenishment throughout the Central Valley and water recycling projects in Southern California. It’s a prudent investment in our water future.”

In its first year, the program will provide up to \$37 million to the State Water Project’s California Aqueduct and San Luis Canal (jointly operated by DWR and U.S. Bureau of Reclamation), \$39.2 million to Friant Water Authority for the Friant-Kern Canal, and \$23.8 million to San Luis Delta-Mendota Authority for the Delta-Mendota Canal. Recipients will use program funds to pay for planning, permitting, design, and construction of near-term subsidence rehabilitation projects. Agencies with funded projects will need to investigate the risk of subsidence and how to prevent continued subsidence. DWR will work with fund recipients to ensure all program requirements are met and funding agreements are executed to support these projects.

The four canals collectively deliver water to more than 29 million people, 2.9 million acres of farmland, and 130,000 acres of wetlands. The completed projects will restore up to 50 percent of the capacity of the canals over the next 10 years.

The 2021-22 State Budget Act appropriated \$100 million for this program and authorized an additional \$100 million for next fiscal year. This state-funded program is part of a cooperative approach to fixing California’s water conveyance infrastructure being pursued by local, state, and federal agencies, who will financially support the projects.

The program advances implementation of Governor Newsom’s Water Resilience Portfolio, which includes more than 100 actions aimed at improving water quality and supplies for California’s people, economy and farms and the environment. The funding program aligns with the California Water Commission’s June 2021 [white paper](#) on a state role in financing conveyance to meet climate change needs, which finds that the state should prioritize addressing damage to backbone conveyance infrastructure, including the State Water Project and Central Valley Project.

Contact:

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FOR IMMEDIATE RELEASE:

November 30, 2021

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SB 559 Sponsors Respond to DWR \$100 Million Funding Program to Begin Repairing Subsidence Damage to Four of California's Most Important Water Delivery Systems

Funding Provided by the Legislature as Part of 2021-22 State Budget is a Down Payment Towards Restoring Conveyance Capacity Amidst Historic Drought & Climate Change Impacts

Sacramento, CA – The California Department of Water Resources (DWR) announced today that it has initiated a \$100 million funding program to restore conveyance capacity to key portions of the California Aqueduct, the San Luis Canal, the Delta-Mendota Canal, and the Friant-Kern Canal that have been lost due to subsidence. This initial \$100 million investment reflects the Legislature's commitment to getting these repairs done for California and aligns with the suite of actions proposed by Governor Newsom in the Water Resilience Portfolio to address the impacts of drought and climate change to the water Californians need to ensure a thriving statewide economy and support ecosystem functions south of the Sacramento-San Joaquin Bay-Delta.

This first round of funding included in the 2021-22 state budget came with the promise of another \$100 million next year. While [Senate Bill 559 \(Hurtado\)](#), a bill to establish a funding mechanism for subsidence repairs, did not progress to a full vote of the legislature last session, the bill sponsors remain committed to ensuring funding is available to restore these facilities and continuing efforts to pass legislation next session. These four major canal systems are critical to California's water resiliency – they provide water to 29 million people, 2.9 million acres of farmland, and 130,000 acres of wetlands. Unfortunately, their conveyance capacity has been reduced due to subsidence resulting from groundwater pumping prior to the implementation of the 2014 Sustainable Groundwater Management Act (SGMA). This impact has resulted in a 15-60% reduction of design flow capacity and at least \$15-30 million per year in higher operational and power costs.

Joint Statement by SB 559 Bill Sponsors

"This first \$100 million isn't just an investment in water infrastructure, it is a down payment on California's future. We know that much more funding is necessary to restore the full capacity of these facilities, and we applaud the Governor and the Legislature's commitment to responsible investments in California's future, specifically by doing the necessary work of investing in the current and future viability of the water delivery infrastructure that will always be necessary to meet California's water needs. While this initial funding will help to leverage federal and local dollars so that repairs can begin, additional funding along with the political will to see it through will be necessary if we are to truly meet the water supply challenges ahead of us. We have learned that droughts and flooding no longer come in cycles, instead they are simply our new normal. This initial funding and the leadership from elected officials like Governor Newsom, State Senator Hurtado and the San Joaquin Valley delegation, and federal officials like Senator Feinstein and Congressman Costa, represent actionable steps California must take if we are to adapt to that new normal and deliver on the promise of clean, affordable water for all."

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MEMORANDUM

TO: FRIANT WATER AUTHORITY BOARD OF DIRECTORS
FROM: DAN KEPPEL, EXECUTIVE DIRECTOR
SUBJECT: EXECUTIVE DIRECTOR'S REPORT
DATE: DECEMBER 6, 2021

This memo is intended to keep you apprised as to what is happening behind the scenes on policy issues the Family Farm Alliance is engaged in. In the past month, much of our efforts have focused on engaging in Biden Administration rulemaking efforts, tracking, and influencing water legislative developments in Congress, and public outreach and speaking engagements. We also delivered some high-level presentations on drought and climate that took place in Denver (COLORADO) and the United Nations climate conference in Glasgow, Scotland. These issues and other matters important to our members are further discussed in this memo.

BIDEN ADMINISTRATION DEVELOPMENTS

1. President Biden Signs Bipartisan Infrastructure Bill into Law

With President Joe Biden's signature on the bipartisan *Infrastructure Investment and Jobs Act* last month, a national coalition representing thousands of Western farmers, ranchers, businesses, and rural and urban water providers declared a victory for Western water users and called on the Administration to immediately clear the path for projects that will address critical Western water supply needs. This is a great victory for Western water users. The Western water provisions included in this legislation represent a once-in-a-generation federal investment that will bolster our aging water infrastructure and keep water flowing to our nation's farms and ranches. It will also improve our ability to provide water supply reliability for cities and the environment in future droughts. The coalition behind the year-long effort to secure \$8.3 billion in Western water infrastructure provisions includes more than 220 organizations from 15 states that collectively represent \$120 billion in agricultural production—nearly one-third of all agricultural production in the country—and many of the local and regional public water agencies that supply water to more than 75 million urban, suburban, and rural residents.

a. Politics

The House passed the \$1.2 trillion infrastructure bill 228-206, sending the measure to President Joe Biden's desk after months of limbo. Only 13 House Republicans voted for the bill, alongside all but 6 Democrats. In order get the vote on the infrastructure package, moderate House Democrats essentially promised progressives they'd vote for the \$1.75 trillion *Build Back Better (BBB)* climate and social spending reconciliation bill once the Congressional Budget Office (CBO) score finalized the total cost of the legislation implementing the Biden Administration's agenda. Prior to the House vote, the two bills were effectively linked to each other, with House progressives calling for both bills to move together and with assurances the Senate would pass the reconciliation bill. But House progressives finally agreed to the vote on the bipartisan infrastructure package, even without ironclad commitments from moderate Senators to agree to the newly downsized \$1.75 trillion BBB. The Infrastructure Investment and Jobs Act includes more than \$8 billion for projects that will enhance water supply reliability across the West, including repairing aging dams and canals, building new surface and groundwater storage and conveyance facilities, funding water conservation and recycling projects, and improving watershed and ecosystem management.

b. Biden Administration Begins Work on Implementation

With the President signing the bipartisan infrastructure package into law, advocates will now turn their attention towards working with the Biden Administration to quickly drive implementation of the Western water provisions. Now, the energies of our infrastructure coalition will be redirected to the agencies overseeing administration of the funds; namely – the Bureau of Reclamation. We need to make sure that most of these dollars are spent on-the-ground for the intended purpose, and don't get swallowed up by red-tape and government administration. We've already put Reclamation on alert that we'll be working with them to ensure that billions of dollars are spent on new infrastructure in a way that is efficient and effective.

The Biden Administration quickly announced plans to staff up and expand the federal workforce to manage the record amount of funding allocated in the newly passed bipartisan infrastructure deal. The federal agencies responsible for disbursing the increase in funding are preparing to hire more workers to manage everything from fixing highways to removing lead water service lines and upgrading aging sewers. President Biden announced the appointment of Mitch Landrieu, former mayor of New Orleans and Louisiana lieutenant governor, whom he has charged with implementing a historic \$1.2 trillion infrastructure package. This Task Force will be "committed to break down barriers and drive implementation of infrastructure investments across all levels of government", according to the White House. Reclamation Commissioner Camille Touton says efforts are already underway across Reclamation as the agency prepares to implement the new law. Reclamation last month established a Program Management Team to lead implementation and develop a Program Management Plan (PMP), which will specifically address how we will request and share data on obligations, expenditures, procurement, regulatory compliance, management of human capital, and plans for celebrating project milestones. Reclamation will host a series of stakeholder listening sessions this month, prior to finalizing the PMP. We're hearing that

Reclamation plans to conduct listening sessions on existing programs (December 10), new programs (December 17) and other matters (January 7).

2. Appointments

The U.S. Senate last month confirmed three key Biden nominees to fill critical leadership roles in federal agencies important to Western water users. The Senate last month confirmed Hon. Michael Connor, a former Interior Department Deputy Secretary under the Obama Administration, to lead the Army Corps of Engineers (Corps) as the next Assistant Secretary of the Army for Civil Works. Also, the Senate confirmed the nomination of Ms. Camille Touton to be the next Commissioner of the Bureau of Reclamation. And, the Senate last month confirmed an important member of Secretary Vilsack's team at the U.S. Department of Agriculture (USDA), approving the nomination of Robert Bonnie to be undersecretary for farm production and conservation.

3. Department of Interior, Bureau of Reclamation: DRAFT Directives and Standards

a. Extended Repayment of Extraordinary Maintenance Costs

The Alliance last month worked with its members to develop formal comments in response to the Reclamation's draft revisions to PEC 05-03, "Extended Repayment of Extraordinary Maintenance Costs". Reclamation initiated the revisions to this Directive and Standard (D&S) immediately following the passage of Public Law 116-260 in December 2020. This law, which we supported, creates a revolving fund called the Aging Infrastructure Account. It also requires Reclamation to establish an annual application period for eligible contractors to apply for funds and extended repayment. The authorization for an aging infrastructure account at the U.S. Treasury Department is a game-changer for most transferred work operators and reserved work project beneficiaries in the Reclamation system. The ability to offer low interest long term loans from Reclamation for extraordinary maintenance have been long overdue. With this authority in place, we are now seeing "once-in-a-generation" funding to back this authority. The *Infrastructure Investment and Jobs Act* includes \$8.3 billion for Reclamation, including \$3.2 billion for the aging infrastructure account.

Our comment letter provides specific comments that revolve around one point: if Reclamation makes it difficult or places restrictions and barriers to their transferred work operators or reserved work project beneficiaries in obtaining these loans, the program will not work as planned or expected. This would make it highly unlikely that funding provided to the account will be disbursed in a timely manner. This in turn could further delay much needed improvements to aging federally owned transferred and reserved works in the West. We've also requested a virtual meeting with Reclamation leadership on the proposed changes to PEC 05-03.

b. Other D&S Developments

Reclamation has released several other draft D&S for public review, including:

- PEC 10-05 Reclamation Standard Water-Related Contract Articles, Standard Article 5: Operation and Maintenance of Transferred Works (Federal Construction)
- PEC 10-06 Reclamation Standard Water-Related Contract Articles, Standard Article 6: Operation and Maintenance of Project Works (Federally Assisted Construction)
- BGT 02-02 Reimbursability and Recharacterization of Project and Program Costs
- CMP 11-01 Title Transfer for Reclamation Project Facilities.

In part due to our request, the Commissioner's office has extended the comment deadlines for draft D&S to **12/9/21**. This is now indicated on the [Reclamation Manual web page](#).

4. Biden Administration Overhaul of Trump Environmental Rules

The Biden Administration is moving forward on the President's Inaugural Day pledge to undo rulemaking efforts completed by the Trump Administration associated with implementation of federal laws that have critical bearing on Western water management activities. While certain litigious environmental groups have cheered these recent developments, the Family Farm Alliance and other organizations who supported the Trump actions are concerned. The Biden Administration has proposed removing and replacing rules implemented by the Trump Administration that change implementation of the Clean Water Act (CWA), Endangered Species Act (ESA) and National Environmental Policy Act (NEPA). In our view, many of the changes made to these decades-old federal environmental laws by the Trump Administration helped bring them into the modern era. We'll go back to drawing board again with the Biden Administration and continue to focus on important process improvements. We need processes that allow for more efficient, informed, and transparent management and infrastructure development decisions without impacting the effectiveness of environmental or species protection measures.

I reported on the administration's proposed actions on these plans last month. Since that time, we've prepared the following comments letters:

- Final letter sent to White House Council on Environmental Quality via the [regulations.gov](#) portal (Tracking # kw6-z136-jq8b) regarding proposed changes to NEPA implementation procedures.
- Final letter submitted to the U.S. Fish and Wildlife Service regarding its proposed ESA implementation revisions. The letter supports and references more detailed letters prepared on this topic by the National Endangered Species Act Reform Coalition.

The Family Farm Alliance in August also developed formal comments for EPA and the Corps on the WOTUS matter. In related news, EPA and Corps officials released a *Federal Register* notice asking for input on the potential selection and location of 10 sites for regional roundtables to take input on how various regions are affected by the definition of WOTUS, and to learn about stakeholders' experience, challenges and opportunities under different regulatory regimes. The agencies are inviting stakeholders to organize a targeted set of interested parties and regional

representatives to participate in these discrete roundtables. The regional roundtable “contest” has many in the water world scratching their heads and scrambling to find partners and put together proposals. We’re working with the Arizona and California state Farm Bureaus to fill slots on two regional roundtable proposals.

5. Joint Secretarial Order: Tribal Homelands Initiative

As reported last month, the White House Tribal Nations Summit also took place on November 15, the same day President Biden signed the bipartisan infrastructure bill into law. Earlier in the day, the president announced that the U.S. Departments of Agriculture and the Interior have created the "Tribal Homelands Initiative". This effort is intended to improve federal stewardship of public lands, waters, and wildlife by "strengthening the role of tribal communities in federal land management". Through a [joint Secretarial Order](#) (PDF, 270 KB), the two Departments codified a policy to facilitate agreements with tribes to collaborate in the co-stewardship of federal lands and waters. Here's the related [press release](#). The Order additionally directs the Departments to ensure that tribal governments play an integral role in decision-making related to the management of federal lands and waters through consultation, capacity-building, and other means consistent with applicable authority. I encourage you to read the secretarial order, with an eye towards implications, risks and opportunities.

6. Executive Order (EO) 14042: Vaccine Requirements

A federal appeals court last month temporarily blocked the Biden administration’s new rules that require many employers to ensure that their workers are vaccinated or tested weekly for Covid-19. A three-judge panel on the New Orleans-based Fifth U.S. Circuit Court of Appeals granted an emergency stay prohibiting enforcement of the rules for now, saying they raise “grave statutory and constitutional issues.” The Fifth Circuit said it would quickly consider whether to issue an injunction against [the vaccine and testing requirements](#), ordering the Biden administration to file initial legal papers by late this afternoon. The affected states include Texas, Louisiana, Mississippi, Utah, and South Carolina. We previously reported that the federal government has extended to January 4 (from December 8) the deadline from [E.O. 14042](#) for most American workers, as well as covered federal contractors to get vaccinated against Covid-19 or subject themselves to frequent testing.

We have serious concerns that the effect of implementing the President’s EO could have devastating impacts on national food supply chains and Western water supply reliability. The White House guidance defines a “covered contractor employee” in broad terms, which raises questions from irrigation districts and others who have entered into water supply, operation and maintenance, construction, and other contracts with the Bureau of Reclamation (Reclamation). Many of these entities have specific concerns not only about the necessity of the vaccine mandates and timing of the potential vaccine requirements but also how far-reaching these mandates could be to ditch riders and farmworkers. There are legitimate questions on whether those with federal water supply and other contracts would be covered by the mandates. I shared with you late last

month the final letter that we sent on this matter to Interior Assistant Secretary Tanya Trujillo and Reclamation Deputy Commissioner Camille Touton.

DEVELOPMENTS IN CONGRESS

7. Build Back Better (BBB) House Budget Reconciliation Bill

After weeks of negotiations, the House on November 19 passed the \$1.85 trillion BBB (H.R. 5376), by a vote of 220-213, with Rep. Jared Golden (D-ME) being the lone Democrat voting against the measure. No Republicans supported the bill. Leading up to the House vote, Minority Leader Kevin McCarthy (R-CALIFORNIA) unexpectedly took control of the House floor, speaking for nearly nine hours to derail the vote. The highlights and the current state of play as the legislation moves forward in the Senate are discussed below.

a. House Highlights

Following the release of the full Congressional Budget Office score for the bill, moderate Democrats upheld a promise to vote for the \$1.85 trillion dollar package, which is centered on President Biden's social and climate agenda. This legislation includes:

- \$555 billion to fight climate change, including \$320 billion in the form of tax credits for companies and consumers who install solar panels, improve the energy efficiency of buildings, and purchase electric vehicles
- \$400 billion for universal pre-K for children ages 3-4.
- \$200 billion for child tax credits, extending the credit through 2022.
- \$165 billion in healthcare spending, reducing health care premiums under the Affordable Care Act and expanding Medicare coverage
- \$150 billion each to expand affordable home care and for affordable housing

The Ferguson Group have prepared a detailed report on this legislation. Please do not hesitate to contact me if you would like a link to their report.

b. Senate State of Play

The Senate will continue working on its version of the bill. Major points of contention remain, including: the State and Local Tax (SALT) deduction, paid family and medical leave, drug pricing, and provisions on immigration. The major players to watch during the negotiations are Sens. Joe Manchin (D-WV), Kyrsten Sinema (D-ARIZONA), and Bernie Sanders (I-VT), all of whom have taken aim at various provisions they want added or removed from the House-passed version of the bill. Sen. Manchin has objected to the overall price tag, spending in early years paired with offsets in later years, as well as the bill's four weeks of paid family leave and Medicare hearing coverage. He has expressed worries about inflation and he's not yet buying the argument from other Democrats that President Biden's BBB will lower everyday costs. Sen. Sinema has kept her

specific objections largely private but is seen as possible a dealmaker by many Democrats.

Speaker Pelosi downplayed the Democrat divisions remaining between the House and the Senate, saying more than 90 percent of the bill “was written together” and predicting Congress will get it to President Biden's desk without much trouble. Senate Majority Leader Chuck Schumer (D-NY) has set a Christmas goal for passage of the BBB. The federal debt ceiling still will need to be raised or suspended, as well. Treasury Secretary Janet Yellen has warned Congress that the U.S. faces a risk of default after December 15. There is no current plan for lifting the borrowing cap. The *New York Times* reports that Republicans continue to insist that Democrats must act alone to address the issue, while Democrats have countered that raising the borrowing cap is a shared responsibility given that both political parties have incurred big debts over the last several years.

8. Senate Clears Stopgap Government Spending, Averting Shutdown

Congress returned from the Thanksgiving holiday with a Friday, December 3 deadline to pass a stopgap funding bill to keep the federal government open. After significant political posturing, Congress passed a short-term Continuing Resolution (CR) late Thursday night funding the government at enacted FY 2021 levels through Friday, February 18, 2022. This also means that adoption of any FY 2022 Community Project Funding/Congressionally Directed Spending requests (i.e., earmarks) that advanced through the legislative process earlier this year in the House and/or Senate will be delayed until February at the earliest.

On Wednesday night, House Appropriations Committee Chair Rosa DeLauro (D-CT) introduced the Further Extending Government Funding Act ([H.R. 6119](#)), the short-term CR, which includes \$7 billion to continue supporting Afghanistan evacuees and an extension of the National Flood Insurance Program (NFIP) authorization, among [other items](#). The House passed H.R. 6119 by a vote of [221-212](#), with Rep. Adam Kinzinger (R-IL) as the only House Republican voting for the measure early Thursday evening. The Senate then passed the bill by a vote of [69-28](#), with 19 Republicans voting in support. Senator Mike Lee (R-UT), who was one of the main voices leading the charge to shut down the government over vaccine mandates, shifted his stance to demanding a vote on an [amendment](#) to remove funding for the vaccine mandate at the 50-vote threshold. He and Senator Roger Marshall's (R-KS) request was granted, and the Senate voted on the amendment first, which failed by a vote of [48-50](#).

President Joe Biden quickly signed H.R. 6119 into law later, averting a government shutdown. Continued negotiations between House and Senate Democratic and Republican leaders on all twelve FY 2022 Appropriations bills will now continue into January and February 2022.

ALLIANCE INITIATIVES

9. Climate Change Initiative

The Alliance continues to engage and discuss potential effects and impacts of climate change in the West, building upon the interest created by the Alliance's report on climate change that was issued in 2007 and active engagement addressing climate change on Capitol Hill. The Alliance board of directors at its 2021 annual meeting supported its long-time policy of using climatic extremes and findings from its climate change report to advocate for "climate-smart" agriculture and needed changes in Western water policy. Through our involvement with Solutions from the Land (SfL) and the Steering Committee of the North American Climate Smart Agriculture Alliance (NACSAA), we have been monitoring United Nations global climate talks over the past two years and bringing the voice of North American producers and land managers to the discussion table. NACSAA believes public policy should provide incentives for climate-friendly and commonsense farm improvements.

c. The United Nations Climate Change Conference (COP26)

The 26th United Nations (U.N.) Climate Change Conference of the Parties (COP26) in Glasgow, Scotland was recently conducted, and Alliance President Pat O'Toole was definitely in the mix. The U.N. Framework Convention on Climate Change (UNFCCC) established an international environmental treaty to combat "dangerous human interference with the climate system". It was signed by 154 states at the Earth Summit, held in Rio de Janeiro in June 1992. The treaty called for ongoing scientific research and regular meetings, negotiations, and future policy agreements designed to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. These negotiations are said by many – including U.N. leaders – to be the single most important factor in determining whether humanity suffers the worst consequences of climate change.

Alliance President Pat O'Toole and his wife Sharon were part of a team of American farmers and ranchers who traveled to Glasgow, Scotland last month with the intent of injecting some common sense into global talks regarding agriculture's role in climate change. The O'Tooles were delegates to the COP26 event in Glasgow. The O'Tooles shared their experiences through a series of blog posts from the event, which are posted on the Intermountain West Joint Venture website (<https://iwjv.org>). Pat serves on the board of directors of Solutions from the Land (SfL), an organization which focuses on land-based solutions to global challenges. These ranchers, farmers, foresters, and partners advocate for enabling agricultural landscapes to provide solutions to challenges like food and energy security, sustainable economic development, and environmental improvement. (See solutionsfromtheland.org.)

a. Biden Administration Descends Upon Scotland

President Joe Biden during his election campaign said that he would aim to make American

agriculture the first in the world to achieve “net-zero” emissions if elected. His platform advocated for farmers to be able to participate in carbon markets, with the goal of creating new revenue streams. President Biden sought to restore the United States’ role as a major global player on climate change with an address on the opening day of the COP26 summit. Secretary of Agriculture Tom Vilsack in Glasgow underscored the USDA’s support for President Biden’s “whole-of-government” approach to combating climate change and creating jobs and economic growth in the United States. After President Biden joined leaders from the United Arab Emirates in officially launching the Agriculture Innovation Mission for Climate (AIM for Climate) on Nov. 2, Secretary Vilsack participated in numerous events to coalesce support for the initiative, which is designed to increase investment in climate-smart agriculture and food system innovation over five years.

Nearly 80 countries and non-government partners have joined in support and AIM for Climate has garnered \$4 billion in increased investment in climate-smart agriculture and food systems innovation, with the U.S. mobilizing \$1 billion over the next five years. Secretary Vilsack additionally highlighted USDA’s Climate Smart Agriculture and Forestry Partnership Initiative, which he first announced during U.N. Climate Week in September. The initiative will connect agricultural producers who are implementing climate-smart practices with retailers, companies and consumers who are demanding low-carbon agricultural commodities. Secretary Vilsack also announced USDA’s support of the newly launched Pathways to Dairy Net Zero, an initiative to help accelerate climate action in the global dairy sector, bringing together organizations throughout the dairy supply chain and dairy farms around the world to collectively achieve net zero emissions in the next 30 years. The Biden administration send a contingent of career staff and lower-level political appointees to accompany the Cabinet secretaries attending the international climate talks.

Back in the U.S.A., the White House announced it will create a new division of the Office of Science and Technology Policy (OSTP) that will coordinate federal climate change policy. The Biden administration will appoint Sally Benson, a professor of energy engineering at Stanford University, to head the newly created division, according to *The Washington Post*. The OSTP Energy Division will be focused on planning the transition to renewable energy and ensuring the U.S. meets its target of reaching net-zero greenhouse gas emissions by 2050.

b. The O’Tooles in Glasgow

While in Glasgow, the SfL delegation interacted with member state representatives, other farmer organizations and a wide cross-section of business, academic, conservation, environmental, renewable energy and health and nutrition stakeholders. Discussions with these parties focused on pathways to address growing climate change challenges across the globe. The European Union and others in Glasgow advocated for a top-down strategy to address global challenges. The SfL team argued that farmers must be at the center of all discussions and decision-making. Producers can offer the significant input needed from across a wide range of agricultural interests and organizations that fall outside of typical policymaking structures.

Fossil fuels, especially coal, were the crux of the COP26 negotiations. Oil, gas, and coal provides

about 80 percent of all the energy used by human civilization. According to Mr. O'Toole, deforestation was a topic of concern at the talks, but discussion was not as robust as it could have been. An emphasis was placed on deforestation, but other than an exhortation to plant trees, attention was not given to the role sound forest management has in sequestering carbon and managing water.

In the end, the O'Tooles believe the SfL team of seven was highly effective. They communicated with all sorts of representatives including the U.S. Special Presidential Envoy for Climate, John Kerry, to the lone delegate from Tajikistan about the importance of agriculture and forestry, and its role as a solution to climate change. They also told them not to be distracted by those who would advance an "agriculture is broken" agenda and simplistically call for an overhaul of the sector without understanding the interdependent functions that make up the world's food, feed, fiber, energy and ecosystem services production platforms. [HERE](#) is a link to a great interview Pat did with the China Global Television Network at COP26. [HERE](#) is another story that ran in the *New York Times*, explaining the powerful role bankers played in the climate change summit.

10. OpenET Project

On October 21, the OpenET project announced the launch of a new online platform that uses satellite data to estimate water consumed by crops. The platform makes the data for the 17 western states widely available for the first time. The data for the current year and previous five years is available at no charge and is accessible down to the field scale. The OpenET project is a public-private collaboration led by the Desert Research Institute, Environmental Defense Fund (EDF), Habitat Seven, and the National Aeronautics and Space Administration (NASA), with additional participation from Google, the U.S. Geological Survey (USGS), USDA, and various universities, with both government and private funding. The apparent core objective is to provide farmers and local water managers with free ET data, with revenue generated from organizations interested in large-scale access to the data beginning in 2022.

The House Water, Oceans and Wildlife (WOW) Subcommittee conducted a November 4 hearing where [legislation](#) that would inject major funding into this program and also modify the WaterSMART program to include this as an assessment tool. WOW Subcommittee majority staff reached out to us after hearing that on this matter last month, after hearing that we had some concerns. We organized a ZOOM meeting with other regional agricultural organizations and WOW Subcommittee staff after they told us they were "definitely open to feedback and changes to address any concerns you may have before moving the bill."

In our meeting, we expressed support for new technology that could help our members but shared our concerns about: 1) how the information could be misused by less constructive parties; 2) protection of private property rights; 3) accuracy of data; and 4) linkage to WaterSMART in the legislation. Later this month, our same ag group will be meeting with representatives from EDF and the Desert Research Institute to try to get some answers to the questions about OpenET that we've been posing since last summer.

ADMINISTRATIVE AND MISCELLANEOUS

- Last month, I spent a day in Eugene, Oregon where I spoke to the Association of Oregon Counties annual convention about our involvement in helping to secure the new Western water dollars in the infrastructure bill signed into law by President Biden earlier this week. After my presentation, I talked to a bunch of county commissioners from around the state who were incredibly supportive of these new programs and our efforts.
- I spent last week on the road, speaking to the annual conferences hosted by Oregon Water Resources Congress and the Washington State Water Resources Association. It was great to see a lot of our friends once again, face-to-face, in-person. Directors Charlie Lyall and Mark Hansen did a fantastic job organizing an Alliance reception at the Davenport Hotel in Spokane on Wednesday night.



Family Farm ALLIANCE®
2022 Annual Conference
"Those in the Arena"
*Focusing on those who are on the ground,
working hard to manage Western water*



Save the Date:
Feb. 24-25, 2022

Conference Highlights:

- Keynote Presentations
- Reclamation Roundtable
- A Look at DC from the Hill
- Derby Dam Fish Screen Tour

**Silver Legacy Resort
Reno, NV**

Registration info coming soon
familyfarmalliance.org

This is a quick summary of just a few of the issues the Alliance has been engaged in. Please do not hesitate to contact me at dan@familyfarmalliance.org if you would like further information about what the Alliance is doing to protect water for Western irrigated agriculture.

Agenda Report

No. 4.D

DATE: December 10, 2021

TO: Board of Directors

FROM: Austin Ewell

SUBJECT: Water Blueprint for the SJV

SUMMARY:

The Water Blueprint for the San Joaquin Valley (Blueprint) is a broad and evolving group of stakeholders, working to better understand our shared goals for water solutions that support environmental stewardship with the needs of communities and industries throughout the San Joaquin Valley. The Blueprint has engaged with stakeholders to try and ensure that everyone has safe, reliable, and affordable access to water for drinking, supporting their farms and communities and a thriving ecology.

The SJV faces significant impacts to its long-term economic, social, and environmental health if nothing is done to address water scarcity, as highlighted in Phase I of Dr. David Sunding's Economic Impact Assessment (EIA) <https://www.waterblueprintca.com>.

The Large Group and committees continue to meet and pursue the mission of Blueprint, including outreach, technical support and working in collaboration with other stakeholders.

Governance: The Blueprint has agreed to expand its Board to 23 members to better reflect its current participants, contributors, and its approach of a "coalition of the willing" while allowing for a streamlined review and action process. The Blueprint will be filling these Board seats in January with the following categories: Local Government, Water Agency, At-Large, White Area & Agriculture while leaving 3 seats vacant for additional broad representation.

Outreach & Engagement: The Blueprint at the request of Congressman Costa is preparing a Water Investment list for near- and long-term solutions for usage and submittal to U.S. DOI. The Community Advisory Committee had its first meeting on October 27th it included an introduction of participants, overview of the Water Blueprint for the San Joaquin Valley and drought Planning for 2022. The Blueprint's first community newsletter is being circulated and the website has been updated.

Technical Committee: It was recommended that the Committee consider and focus on the team of folks that are at the table for the CAP and have established the Phase 1 Report while moving towards Phase 2. Noted this is a major step when looking at trying to balance land retirement with identifying new water sources. Requested that the approach with ESA to develop a regulatory and permitting path forward for the Blueprint look to potentially include the CAP. This detailed plan will list all permits

needed, the approvals, the reports, and documents essential to prepare and obtain from the Federal and/or State Agencies for the solution sets provided. Blueprint continues to engage with Central Valley stakeholders regarding opportunities to construct infrastructure, balanced approach to water resources, low interest loans for farmers unable to farm and focus on inter-regional conveyance and habitat restoration.

A dinner was held with Board Members from Madera I.D. and Chowchilla W.D., participants of the Blueprint and White Area representatives to review the status of the technical work and next steps.

SJV Water Collaborative Action Program (SJVWCAP):

On November 23rd the CAP Plenary (60+) Group met and reviewed the Phase 1 Action Plan framework earlier endorsed by the Planning Group (20+ representing the 5 caucuses) in form. The CAP Work Group Co-Chairs and members prepared the framework over the past 2 months. I know how busy you all are, and I am deeply grateful that CAP participants found the time to develop a powerful Phase 1 Action Plan Framework. The Framework provides the solution set elements recommended by the five CAP Work Groups to accomplish the desired outcomes to resolve those problem areas. Adoption of the Framework by the Plenary Group and its participants would:

- Create a path for CAP participants to work together and greatly increase the pace of assuring all Valley residents have access to safe, reliable, and affordable drinking water.
- Place equal emphasis on demand reduction and supply augmentation to eliminate long-term overdraft and transition the Valley from unsustainable to sustainable water resources management.
- Establish one of the largest initiatives in the country to restore riparian, floodplain, upland, and on-farm habitats.

The Planning Group unanimously approved the Framework at its November 16, 2021, meeting and along with the CAP Management Team and recommended approval by the Plenary Group. If the Plenary Group approves the Framework, it will become the policy basis for CAP to move into Phase 2. Based on the specifics in the Framework and numerous comments received during the past month, the Management Team is developing a draft final CAP Phase 1 Action Plan document and is distributing it to Plenary Group members for a 4–6-week review period. In early January, CAP participants and their organizations will be contacted to determine their supporter for the CAP Action Plan.

DAC Drinking Water Feasibility Study – FKC: Participants include FWA, FSU, Self Help, Sustainable Conservation and Leadership Council are looking to study Tulare County related to surface water supply, recharge and drinking water supplies. DWR is making available approx. \$49,500 for this study. Fresno State in coordination with the other participants will be creating a more specific scope tailored to Tulare to provide to DWR to review and fund.

RECOMMENDED ACTION:

There is no recommended action at this time. The Board gave initial direction to pursue this collective effort and report back on its status.

BUDGET IMPACT:

None

ATTACHMENTS:

None



Board of Directors 2022

Agriculture:	Casey Creamer, CA Citrus Mutual Ian Lemay, CA Fresh Fruit Association Geoff Vanden Heuvel, Dairy
Water Agencies:	Scott Petersen, San Luis & Delta-Mendota Water Authority Jason Phillips, Friant Water Kassy Chauhan, Fresno Irrigation District Steve Chedester, SJ River Exchange Contractors Water Authority
White Lands:	Johnny Gailey, Delta View Water Association Jack Rice, Western Resource Strategies Deanna Jackson, Tri-County Water Authority
Government:	Augustine Ramirez, Fresno County Stephanie Anagnoson, Madera County Paul Boyer, Farmersville
At-Large:	Sarah Woolf, Water Wise Eddie Ocampo, Self-Help Enterprises Austin Ewell, Ewell Group Christina Beckstead, Madera County Farm Bureau Vince Lucchesi, Patterson Irrigation District
Committee Chairs:	Scott Hamilton, Ag Economist (Technical Committee) Mike Wade, CA Farm Water Coalition (Communications Committee)

**3 Board seats remain vacant*



Operations & Maintenance Report

A compilation of current FWA operations and maintenance activities throughout the 152-mile canal system.

October 2021

OPERATION & MAINTENANCE REPORT

SAFETY, EDUCATION & TRAINING

- Operations Department held tailgate safety meetings in the Lindsay yard; outlying field office staff attended the Canal and Maintenance meeting.
- Friant staff received environmental training on endangered species completing the annual review.
- Delano, Lindsay, and Orange Cove Foremen held tailgate safety meetings discussing safety hazards and precautions associated with employees work assignments.

ACCIDENTS & INJURIES

- Friant staff has worked 1,934 days without a lost-time injury accident.

MAINTENANCE SUPERVISION

GENERAL SUPERINTENDENT REPORT

SUBSIDENCE

- Staff worked with Stantec on the Water Quality monitor program.
- Facilitated a first step process with the County of Tulare and Stantec for middle reach plan reviews.
- Facilitated a meeting with the State Waterboard and the City of Orange Cove on city expansions.
- Managed the FY21 budget final month of September to close out projects and carryover funds on items not yet delivered.
- Attended the SLDMWA O & M Technical Committee meeting in Los Banos
- Attended FKC MRCCP monthly project meetings

PERSONNEL ITEMS

- Staff worked on several personnel items, including annual reviews, policy conformance, and other matters.

CONSTRUCTION & MAINTENANCE

FOREMEN REPORTS: DELANO, LINDSAY, & ORANGE COVE MAINTENANCE

WEED & PEST CONTROL

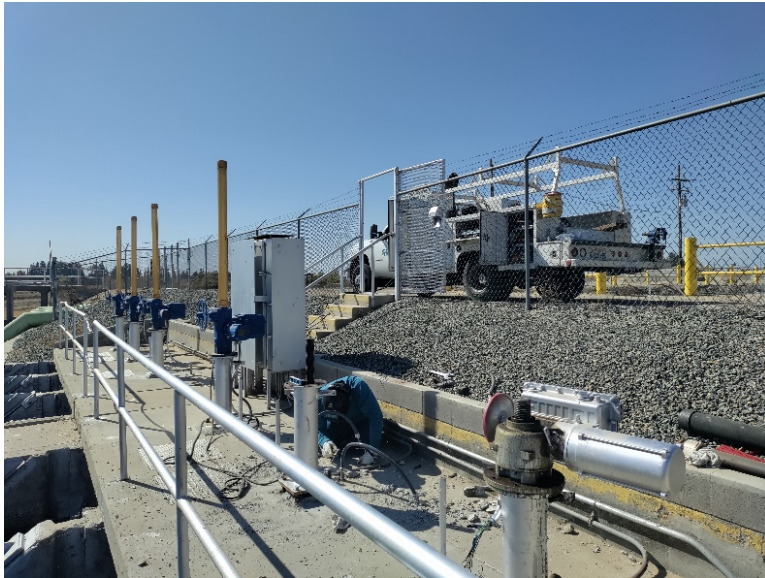
- The following is a summary of the chemical products used during the month by maintenance staff for weed and pest control on various canal sections and the product inventory on hand:

PRODUCTS	UNITS	MAINTENANCE YARD USAGE			TOTAL USAGE	END OF MONTH ON-HAND
		Delano	Lindsay	Orange Cove		
Clearcast	Gal	0	0	0	0	2.50
Copper Sulfate - Old Bridge	Lbs.	0	0	0	0	67,450.00
Copper Sulfate - Chem One	Lbs.	0	0	0	0	0
Argos Copper	Gal	0	0	0	0	0
Captain XTR	Gal	0	0	0	0	0
Deploy	Gal	0	0	0	0	0
Diphacinone	Lbs.	0	0	19.00	19.00	99.00
Diuron 4L - Loveland	Gal	0	0	0	0	2106.00
Diuron 4L - Drexel	Gal	0	226.00	0	226.00	1938.00
Lifeline	Oz	0	0	0	0	0
Weather Guard Complete	Oz	0	0	0	0	67.00
Finale	Oz	0	0	0	0	0
Milestone VM	Oz	0	0	0	0	662.00
Roundup - Custom	Gal	4.00	14.80	72.00	90.80	1610.31
Roundup - Pro Conc	Gal	4.00	0	0	4.00	1543.50
Forfeit 280	Oz	0	0	0	0	0
Sonar Genesis	Gal	0	0	0	0	2.00
Cheetah	OZ	0	0	0	0	6647.05

- Delano, Lindsay, and Orange Cove maintenance staff continued application of Roundup Custom as part of the annual weed control program along the canal right-of-way for post-emergence control of weeds.
- Delano maintenance staff continued the application of Roundup Pro Concentrate as part of the annual weed control program.
- Orange Cove maintenance staff hand cleared vegetation around canal structures.
- Orange Cove maintenance staff continued the application of Diphacinone to the canal right-of-way for the control of California ground squirrels.
- Lindsay maintenance staff continued the use of Diuron 4L Drexel for pre-emergent weed control.

CANAL & DIVERSION STRUCTURES

- Delano maintenance staff continued gate structure maintenance and repairs.
- Delano, and Orange Cove maintenance staff continued hauling debris collected from the canal.
- Lindsay maintenance staff removed aquatic weeds.
- Lindsay maintenance staff cleaned out debris in inlet drains on the East side of Friant Canal.



DMS repairing the motors from gate



DMS embankment maintenance

- Orange Cove maintenance staff cleaned of the underdrain at MP22.9.
- Orange Cove maintenance staff hauled materials off the embankment from the desilt project.
- Orange Cove maintenance staff cleaned silt and debris out of several cross drainages.
- Orange Cove maintenance staff continued clearing wood vegetation from canal embankment.



OCMS clearing wood vegetation

O&M ROADS

- Lindsay maintenance staff removed prior years of build-up of weeds along the Friant-Kern Canal.
- Orange Cove maintenance staff continued road patching on the Friant-Kern Canal roadway.
- Orange Cove maintenance staff graded nonoperation roadway.



Before debris removal



After debris removal

YARD & BUILDING

- Delano, Lindsay maintenance staff continued to perform routine maintenance and repairs, such as: yard cleaning, vehicle/equipment repairs, facility improvements, and office duties.
- Delano maintenance staff prepared the building for paint.
- Lindsay maintenance staff removed single vehicle lift and replaced with a four-post vehicle lift with slip resistant surface.



LMS before and during lift removal



LMS after lift removal



DMS preparing building for paint

RIGHT-OF-WAY MAINTENANCE

- Delano, Lindsay, and Orange Cove maintenance staff continued the removal of illegally dumped trash and removed debris from gate structures to the local solid waste/recycling facility.
- Delano maintenance staff continued sign maintenance. Traffic signs, bar gates markers and identification signs are to be repaired or replace on structures such as block houses, bridges, embankments, and liner.
- Delano, and Orange Cove maintenance staff continued to repair and install security fencing to prevent public access from entering the Friant-Kern Canal right-of-way and structured areas.
- Delano maintenance staff continued painting, bar gates, bollard posts, guard railings, warning signs, liner markers, structures, security fence wings, electrical panels, and block house doors.
- Orange Cove maintenance staff continued repair and maintenance of bar gates.



Before and After photos in Strathmore



OCMS Before picture of repair of bar fence



OCMS After picture of repair of bar fence



OC Maintenance repairs

VEHICLE & HEAVY EQUIPMENT

The following is a summary of the vehicle and heavy equipment preventive maintenance services and repairs made by the technical services staff.

DELANO, LINDSAY, & ORANGE COVE	TYPE	QUANTITY
In-House Inspections	B – Semi-annual	2
	C - Annual	2
	E - Equipment	0
	BIT - 90-Day Heavy Equipment	4
Outside Inspections	B – Semi-Annual	0
	C - Annual	0
	Smog Test	0
	Smoke Test	0
DELANO, LINDSAY, & ORANGE COVE	TYPE	QUANTITY
In-House Repairs	Light Vehicles	5
	Trucks	2
	Heavy Equipment	1
	Utility Equipment	3
Outside Repairs	Light Vehicles	0
	Trucks	0
	Heavy Equipment	0

ENGINEERING ACTIVITIES

ENGINEER AND ENGINEER TECHNICIAN REPORT

RIGHT OF WAY

- Staff is working with USBR to access and obtain Friant Kern Canal APN maps for Fresno, Tulare, and Kern Counties.
- Staff is organizing APNs using USBR “unit” formatting. Staff also included Title documentation within each unit.

LOW-FLOW INSPECTIONS

- Staff will be conducting canal inspections in December. Staff will begin at MP 0.1. FKC inspections. Records that will be updated are as follow:
 1. Bridges
 2. Check Gates
 3. Concrete Lining
 4. Slope Stability
 5. Base Flow Conditions

KAWEAH DELTA WATER CONSERVATION DISTRICT

- Completed phase- Infrastructure (pumphouse and turnout) construction.
- Next phase- backfill and compaction activities continue through 10/31/2021.
- Next phase- temporary dam W-beam, and sheet piles to be removed upon completion of backfill.

WATER QUALITY MIXING MODEL

- Staff continue to file analytical reports and transcribe data to summary tables in coordination with water operations.
- Staff continue agricultural pump-ins to determine appropriate volumes and mixing concentrations.

REPORTS

- Staff will complete Check and Wasteway Gate Annual Reports to be finalized by the Federal 2nd Quarter.
- Staff will complete Check and Wasteway Inspection Reports to be finalized by December 2021.

OPERATIONS ACTIVITIES

OPERATIONS SUPERVISOR REPORTS

- Operations staff during the month of October delivered 31,227 acre-feet. Total water diverted year-to-date to Friant-Kern Canal Contractors is 236,757 acre-feet.
- Staff reported sump pump deliveries of 5 acre-feet and year to date total of 38 acre-feet.
- Staff completed and sent out the ROWD's for the month of October.
- Staff performed battery maintenance for the solar panels at the Kaweah downstream block house.
- Staff perform weekly water quality samples for EC and Nitrates throughout the canal.
- Staff repaired the Honeywell recorder for the Dodge Avenue Check.
- Staff checked 10 transmitters and calibrated 10 transmitters on the Friant-Kern Canal system.

EDUCATION AND TRAINING

- Staff received wildlife endangered species training.

ELECTRICAL

- Staff created a design for the new 600amp panel service at Shafter Check for reverse flow.
- Staff installed 3-inch conduit along the top bridge that goes from the canal to the check structure at Reservoir Check.
- Staff installed a new power actuator for gate #2 at Arvin Edison turnout.
- Staff installed new power cables from the 600amp panel to check structure at Reservoir Check.
- Staff replaced light fixture at the Tule River Check.
- Staff ran diesel lines, power lines, and installed a generator at Shafter Check and Reservoir Check.
- Staff is working with PG&E for Paso Creek power at the downstream blockhouse.

MEETING/TRAINING

- Staff met with IntelliSite for the Water Authority Alarm Module weekly meetings.
- Weekly Friant-Kern Canal Project meetings- Internal, Microsoft Teams, IOS, and Clear SCADA upgrade with IntelliSite.
- Weekly Friant-Kern Canal water reports, Wednesday reports, end of month reports, and water orders.

POWER

- Staff installed generators for pump operations project at the following locations: Reservoir and Shafter Check.
- Staff assisted electrician with setup, wiring, conduit, and installing power panels for the pump Back Project.

SCADA

- Staff worked on Scada Data Points for IntelliSite.
- Staff edited the Friant-Kern Canal alarm system module, objectives, and values for IntelliSite.

SENSORS

- Staff collected copper samples, farmer pump-in samples, and water samples.
- Staff worked on getting EC Sensor communications back up at the following locations: Kern, Check and Sand Creek.
- Staff calibrated levels at turnouts and wasteways for alarm system for the following locations: Wood Central and Deer Creek.
- Staff performed a modem reset for communication issues at Kaweah Check.
- Staff Performed communication backup at Wood Central due to restored power.
- Staff met with MRC Global at Arvin Edison for turn on new actuators for gate 1 and 2.
- Staff tested and calibrated EC Sensors with Geotech conductivity solution.
- Staff performed a router reset and pulled bad UPS power supply at Rocky Hill.
- Staff flushed out transmitter lines and recalibrated transmitters at the following locations: OC#6, Ivanhoe #5, Ivanhoe #6, and Ivanhoe #7.
- Staff made connection with Phoenix contact radio for Paso Check.
- Staff calibrated and located ultrasound probe sensor in Kern Check blockhouse.

INFRASTRUCTURE MANAGEMENT

DIRECTOR OF TECHNOLOGY REPORT

ADMINISTRATIVE SUPPORT

- Staff completed the Weed & Pest reports and submitted Summary Pesticide use reports to each county (Fresno, Kern, Tulare).
- Staff completed the Operation and Maintenance report, submitting the final to the Superintendent.
- Staff assisted the accounting department with reconciliation, voucher completion, and invoice collection.
- Staff continued to provide support via Microsoft Teams with the addition of an audio-conferencing call-in phone number for meetings.
- Staff spent a considerable amount of time creating an inventory control system. First thirty days of FY22 tracking has identified cost savings through vendor selection. In addition, staff is reviewing bulk purchase options for office supplies that will reduce outlays and reduce the risk of shortages caused by current supply chain issues.

INFORMATION TECHNOLOGY MANAGEMENT

- The Friant-Kern Canal Alarm project received sign off on the initial test milestone from Friant staff stakeholders. Staff is coordinating on-site testing for all the check structures and open ditch facilities with the development team. After successful final test phase, development team will provide training to Friant staff and hand off the project to Friant for product launch. Timeline for launch will be determined by Friant staff availability to conduct final testing phase and receive end user training.
- Staff continued to work with Intellisite product support team to resolve Friant submitted tickets.

- The 2021 Verizon funding documents were reviewed and approved by the Chief Financial Officer. The Verizon funding document stipulates the expenditure limits applied to the Authority's Verizon Wireless contract, which is required to be renewed on a yearly basis.
- Staff is spending a considerable amount of time reviewing ransomware survivability. Ransomware is the most significant inherent risk to the Authority's information and operational infrastructure. The Authority has several overlapping layers of protection, but threat avoidance does not guarantee data and system resilience. The reality of threats in the digital age is not a question of if, it is when. To deal with reality, staff will be providing a recommendation to adopt ransomware survivability and recovery systems within the Authority's network.
- The Authority has deployed a trial version of Spanning Office 365 backup. Spanning offers unlimited backup space with the licensing of Office 365 users. Spanning is allowing the Authority to capture all the email box and OneDrive data for each user, and the fifty-three SharePoint sites, and twenty-nine teams with seventy-nine channels. The SharePoint and Teams data contain critical data for general membership and operation and maintenance activities, which is now recoverable in the event of accidental deletion or disaster recovery. Staff has submitted authorization to expend pre-approved FY22 budget funds to purchase Spanning licenses.

AGENDA REPORT

NO. 4.F

DATE: December 10, 2021

TO: Board of Directors

FROM: Wilson Orvis, Chief Financial Officer

SUBJECT: San Luis & Delta Mendota Water Authority Update

SUMMARY:

Friant Water Authority staff have engaged with San Luis & Delta-Mendota Water Authority (SLDMWA) via the Finance and Administration Committee (FAC) on November 1, 2021, the Board of Directors' (BOD) Meeting on November 4, 2021, as well as additional staff-to-staff meetings throughout the last month regarding the San Luis Transmission Project and the Panoche Settlement Payment Allocation.

There were two major items under consideration at SLDMWA over the last month that pertain to FWA operations: (1) the Water Year 2022 Operations, Maintenance, & Replacement (OM&R) Budget and (2) establishment of a separate reserve account for capital projects. For the WY 2022 OM&R budget, FWA staff provided input on the draft proposals through the O&M and Finance Committees. Currently, staff are working to clarify how costs associated with proposed special projects and extraordinary maintenance will be allocated under the methodology set forth in the Friant MOU. For the establishment of a separate reserve account for capital projects, FWA, along with SLDWMA member districts, provided initial feedback to SLDMWA staff who will be evaluating whether to pursue this option further and in what context.

DATE: December 10, 2021

TO: Board of Directors

FROM: Jason Phillips, CEO

SUBJECT: SJV Water Collaborative Action Program (CAP) Phase 1 Results, Relationship to Water Blueprint (Blueprint)

INTRODUCTION:

The CAP and Blueprint have made considerable progress in the last year and coming into 2022 the expectation is to start moving into broad based advocacy for specific actions. The intent is to have initiated implementation of a portfolio of meaningful projects in less than five years that will move the needle on both new surface water recharge and reduced demand. As the CAP is looking for approval of its Phase 1 report from the 60+ member Plenary Group and initiate actions in Phase 2, the Blueprint is establishing a formal 23 member governance board of directors to add structure and timeliness to decisions on outreach, education, implementation and advocacy. Updates on the CAP Phase 1 (Tim Quinn) and Blueprint governance (Austin Ewell) were presented during the session.

In addition, Jason Phillips presented the CAP Phase 2 goals and a working list of projects that would initially be considered for support. The project list is a combination of storage, conveyance, and pumping projects.

SUMMARY:

Key takeaways from the table and group discussions:

Question #1: Identify key principles that should drive FWA involvement in the advocacy and implementation of potentially over 1 MAF/yr of new recharge projects?

- **Respect and protect existing rights:** It will be hard to get too far down the road with specific projects if it is not clear from the beginning of how the existing water users are not protected from threats to their current water supplies. Early in the process, if not one of the first items for discussion among the newly formed Blueprint governance board, we will need to address this issue and it is expected to be a common theme for existing rights holders beyond just Friant. Solutions need to work for all areas of the San Joaquin Valley.
- **Support Large-scale recharge and regional conveyance:** The focus of the effort should remain on the groups that we're trying to support, that is GSAs, water districts, and DACs. Make strong efforts to sure they collectively buy-in to projects moving forward. And from FWAs standpoint the FD contractors buy-in is a must.
- A few **Specific Project ideas** included: * possibly work an exchange for water in San Luis; * have GSAs maximize current infrastructure first; * include FKC/FD projects: water quality, pump-back, recapture/recirculation; * resolve the dilemma of new diversion permits for flood flows; * consider a Friant Water Bank; * help remove barriers to access water.

Question #2: What should FWA involvement be in the advocacy and implementation of large-scale fallowing proposals?

- **Keep Water In-valley:** Any water saved from fallowing needs to stay in the Valley and not contribute to Delta outflow.
- **Arm's length:** Generally speaking, FWAs involvement in the specifics of land fallowing proposals should be hands off unless asked to step in. Ensuring the GSAs, Counties and land trusts are engaged are key.

Question #3: How are you feeling relative to the priority FWA should place on the Blueprint and CAP?

- **High priority:** This is a top 5 priority effort, and we need to stay very engaged. Priority needed to help solve the issue in the Delta and protect EC supplies. In terms of collaboration, we need to incorporate CAP priorities into the Blueprint, ensure we give the State solutions they can get behind, and be prepared to support funding for the Blueprint and Phase 2 of the CAP.
- **Staff Bandwidth:** With so many priority activities, concern was expressed about the overall available time FWA leadership has to spend on this activity.
- **Focus on Friant Rights:** #1 priority should be for the protection of existing rights.
- **Schedule:** We don't have time to waste due to SGMA, so make sure to push the schedule.

Question #4: Thinking back to question #1, a couple sources of likely conflict include new diversions of floodwater on the San Joaquin River and the Friant-Kern and Madera Canals. What input do you have for FWA regarding involvement in resolving these conflicts as projects are being proposed and implemented?

- **Stay Involved and Protect:** FWA support will be helpful to shape projects with stakeholders and make sure Friant rights are protected. When recharge water is available there is widespread support for capturing, however, it's paramount to make sure that the Friant rights are protected, and this should always take precedent.

NEXT STEPS:

1. Initiate discussions with the newly formed Blueprint board of directors at their Jan 18th meeting regarding the need to focus attention on strategic ways to ensure existing rights are protected while we consider new projects. This may need to include an ad hoc group to develop ideas for presenting to home boards and the larger Blueprint participants, but as a minimum it will need to be a standing item. FWAs involvement on this issue will be important.
2. Bring the CAP Phase 1 report to the FWA board to provide approval and guidance for participating in Phase 2 at the December 10th BOD meeting if possible and no later than the January BOD meeting.



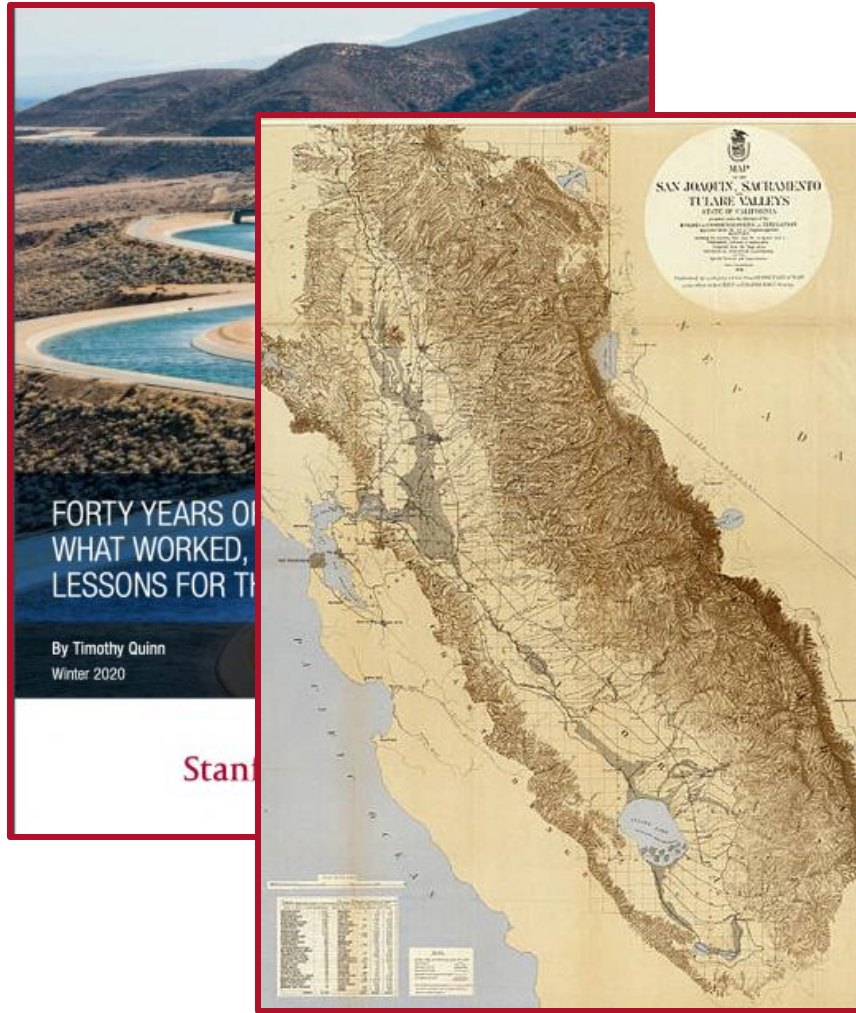
San Joaquin Valley Water Collaborative ACTION Program

Phase 1: Action Plan



Date

EMERGING COLLABORATION IN THE SAN JOAQUIN VALLEY



SAN JOAQUIN VALLEY WATER COLLABORATIVE ACTION PROGRAM (CAP)

- **Initiated by Representatives of Fresno State, Stanford, and Stakeholders**
- **Initial Step: Stanford University Uncommon Dialogue, Sept 21, 2020**
- **Co-Chairs: Buzz Thompson & Ashley Swearengin**
- **50+ Participants**
- **Almost Everyone Had Something Constructive to Say**



CAP CAUCUSES AT THE TABLE



Safe Drinking Water & DACs



Local Government



Farmers and the Ag Industry



Environmental NGOs



Water Agencies

CAP - BASED ON THE PRINCIPLES FOR A SUCCESSFUL COLLABORATION

Facilitative Leadership

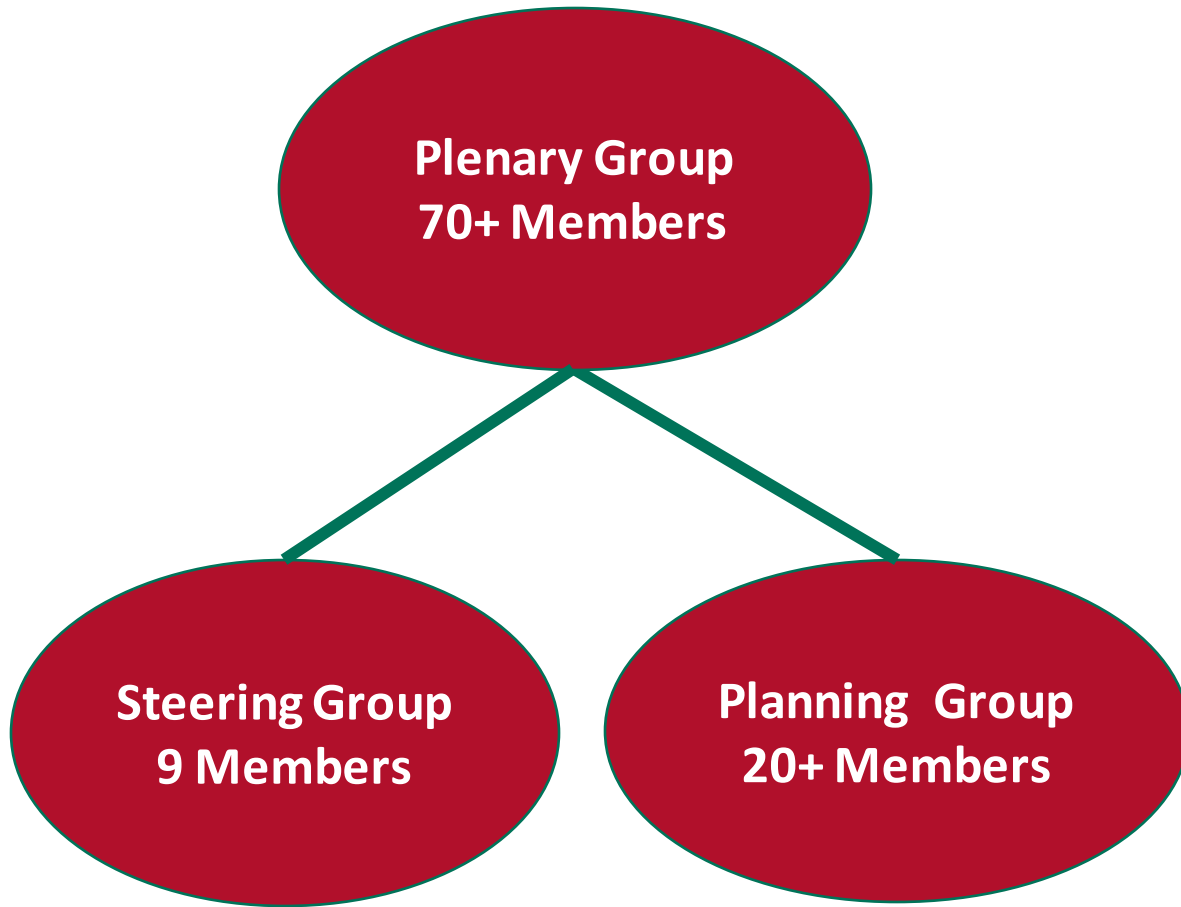
Open communication

Engaged Stakeholders & Relationships of Trust

Inclusive (Big Tent)

“Grow the Problem” In Order to Solve It





CAP DECISION-MAKING RULES

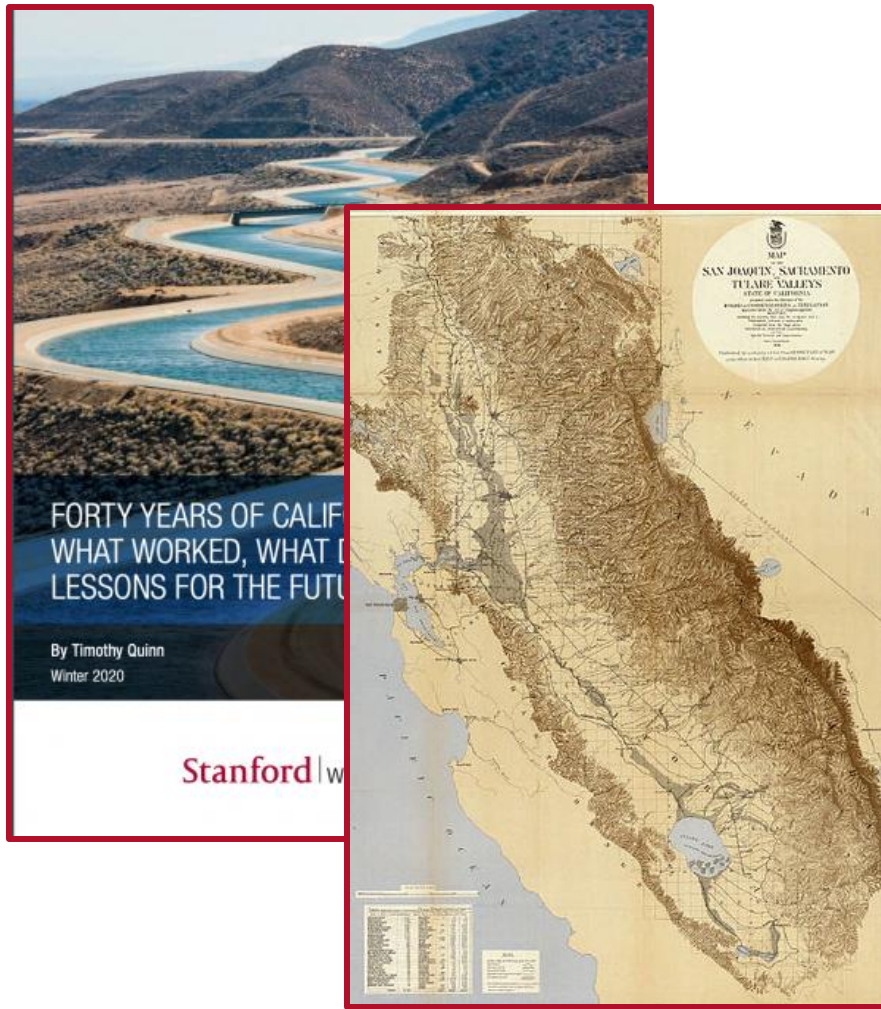
Approved by Plenary Group, June 22, 2021

GOAL: As Close to Unanimous Consent as Possible With Room for Individual Dissent

Decisions through Caucuses Not Organizations:

1. Active Support
 2. Qualified Active Support
 3. Non-Opposition
 4. Opposition
-

Consensus = No Caucus in Option 4 + Some Caucuses in Options 1 & 2



PHASE 1 ACTION PLAN

- COMMON problem statement
- COMMON solution set

CAP FOCUS IS A COMPREHENSIVE SET OF SOLUTIONS

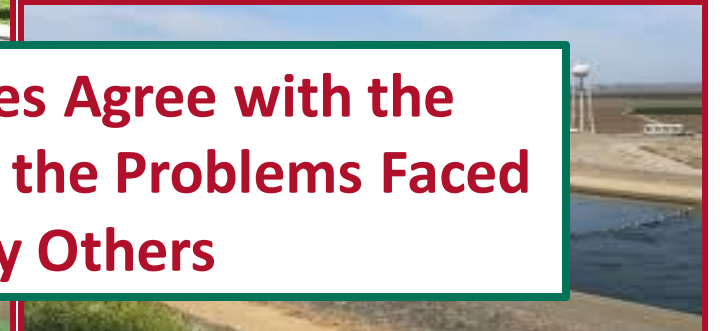
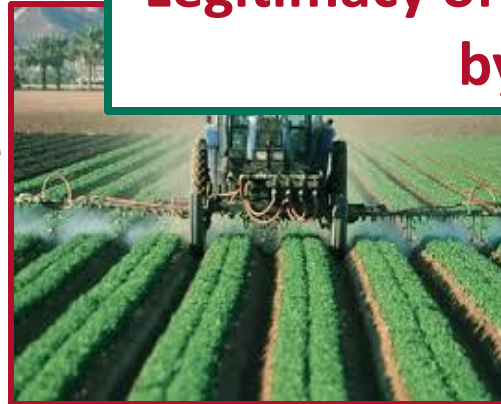
We are requesting your support for implementation of the solutions.

CAP COMMON PROBLEM STATEMENT – SAN JOAQUIN VALLEY WATER CHALLENGES

- 1) **Lack of Access to Safe, Reliable and Affordable Drinking Water**
- 2) **The Demand-Supply Gap is Daunting**
- 3) **95% Loss of Historical Ecosystem Habitat**
- 4) **Inadequate Physical and Natural Infrastructure**
- 5) **Inconsistent Local, State, and Federal Policies**



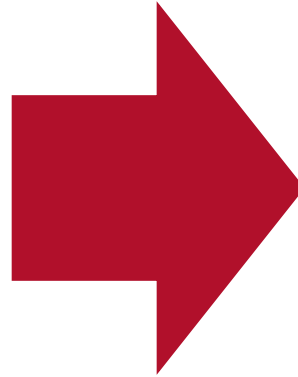
**All Caucuses Agree with the
Legitimacy of the Problems Faced
by Others**



OUTCOMES AND SOLUTIONS

CAP DESIRED OUTCOMES

1. **Sustainable Water Supplies for Farms, Communities, and Ecosystems**
2. **Safe Drinking Water for All Valley Residents in a Timely Manner**
3. **Increase Floodplain/Ecosystem Habitat**
4. **Significant Changes in Use of Land in the Valley**
5. **Consistent Local, State, and federal Policies**



CAP SOLUTION SET WORK GROUPS

1. **Comprehensive Strategies to Bridge the D-S Gap**
2. **Strategies to Connect DW Systems and Other Actions**
3. **Strategies to Invest in Floodplain, Riparian, On-Farm, and Upland Habitat**
4. **Envisioning Strategies to Change Valley-Wide Land Use**
5. **Strategies to Align Local, State, and Federal Policies**

ACTION ITEMS TO TRANSFORM THE VALLEY

IMPLEMENTATION OF THE CAP ACTION PLAN WILL BRING HISTORIC CHANGE TO WATER RESOURCE MANAGEMENT IN THE VALLEY

THE CAP ACTION PLAN WILL:

- **Assure rapid action to provide universal access to safe, reliable, affordable drinking water**
- **Eliminate the demand-supply gap and long-term overdraft with equal efforts to reduce demand and increase supply**
- **Create one of the largest ecosystem restoration programs in the country**
- **Initiate a Valley-wide effort to coordinate changes in how land is used to accomplish multiple-benefits**
- **Align local, state, and federal policies and funding with an emphasis on providing resources for local government**

Add pics

MORE THAN 90 ACTIONS TO TRANSFORM THE VALLEY FROM UNSUSTAINABLE TO SUSTAINABLE WATER RESOURCES MANAGEMENT

ASSURING SAFE, RELIABLE, AND AFFORDABLE DRINKING WATER FOR ALL

THE CAP ACTION PLAN WILL:

- Create a broad-based coalition to support rapid action to achieve universal access to safe drinking water
- Achieve universal access in 10-15 years or less – not the up to 40 years currently projected
- Emphasize consolidation where feasible and new community water systems elsewhere
- Require mitigation of adverse impacts on safe drinking water as SGMA is implemented
- Seek institutional improvements so that state and federal agencies can act quicker



ELIMINATING THE DEMAND-SUPPLY GAP



THE CAP ACTION PLAN WILL:

- Eliminate the demand-supply gap and end long-term overdraft consistent with SGMA
- Require "Equal Efforts" to reduce demand and augment supply
- Reduce demand primarily through voluntary, compensated land repurposing from irrigated agriculture to other high value uses
- Augment supply primarily by managing floodwaters for replenishment; local water ways may provide 240-600 KAF on average
- Use a science-based assessment with outside experts to determine if and when additional replenishment water could potentially be made available from the Delta
- Provide accountability by requiring a reports on land repurposing and delta diversions by September 2022
- Complete a detailed Sustainability Action Plan by September 2023

INVESTING IN FLOODPLAIN AND ECOSYSTEM RESTORATION



THE CAP ACTION PLAN WILL:

- Create one of the largest ecosystem restoration programs in the nation.
- Rely primarily on voluntary, compensated land repurposing to convert irrigated land to ecosystem habitats
- Provide flexibility and legal protections for landowners
- Reconnect land and water to revive floodplains
- Support reservoir reoperations for multiple benefits
- Increase water available for environmental restoration
- Increase on-farm wildlife habitats
- Create institutional capacity so that resource agencies can partner in projects that benefit the environment
- Secure adequate long-term funding

ENVISIONING CHANGES IN HOW LAND IS USED IN THE VALLEY



THE CAP ACTION PLAN WILL:

- **Coordinate the significant changes in the use of land required to achieve sustainability**
- **Support the California Multiple-Benefit Land Repurposing Program in the California Department of Conservation**
- **Encourage partnerships among state and federal agencies, local government, NGOs, farmers, and disadvantaged communities**
- **Promote a variety of high value uses of land, including:**
 - ✓ **Multiple Benefit Recharge Areas**
 - ✓ **Ecosystem Habitats**
 - ✓ **Low Water Use Agriculture**
 - ✓ **Parks and Recreation Areas**
 - ✓ **Low Impact Renewable Energy**

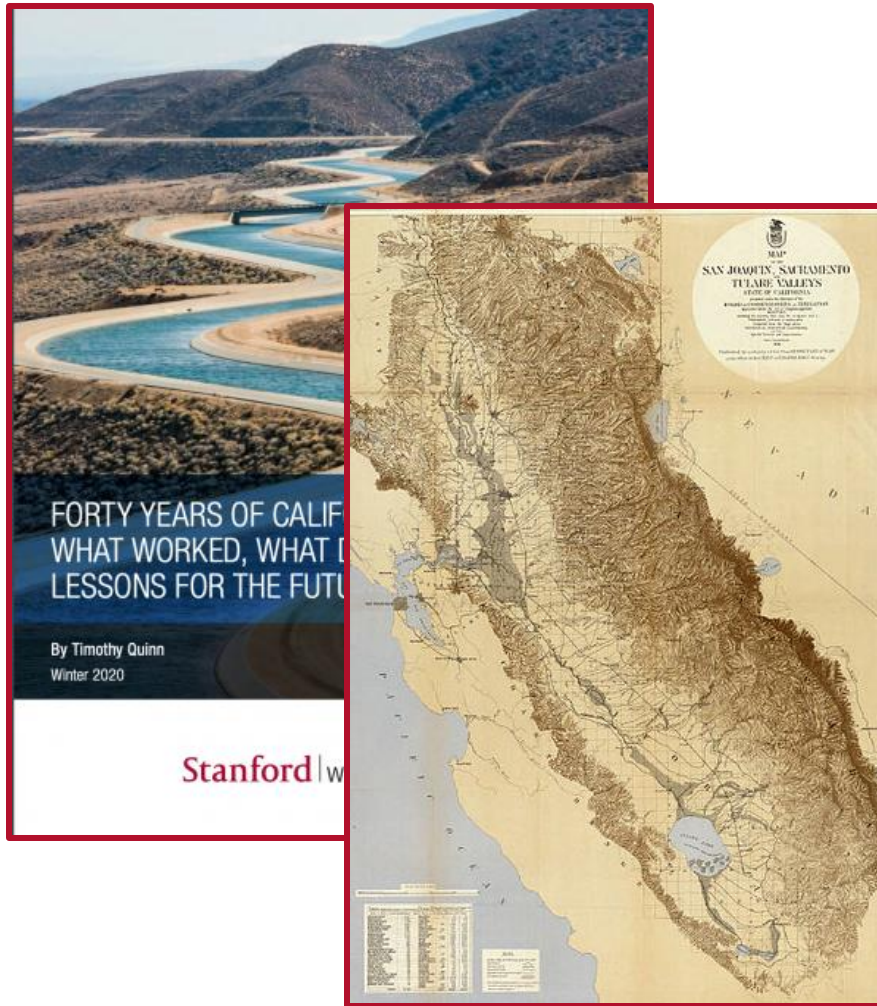
ALIGNING LOCAL, STATE, AND FEDERAL FUNDING AND POLICIES

THE CAP ACTION PLAN WILL:

- **Create an Implementation Team to work with state and federal administrative agencies and legislatures to implement the Action Plan**
- **Rely on a broad-based, cross-caucus political action alliance to promote CAP policies**
- **Recognize the vital role that local government and GSAs have in implementing policies for sustainability**
- **Work to assure that currently overwhelmed and underfunded local agencies have the staff, funding, and capacity to play their vital role.**



WHERE DOES CAP GO FROM HERE?



- **December 2021 – Mid-January 2022: Finalize CAP Phase 1 Action Plan Report and secure broad-based support**
- **January-February 2022: Conduct extensive outreach/education effort; plan for Phase 2**
- **March 2022: Launch CAP Phase 2 and initiate implementation**
- **September 2023: Complete comprehensive, detailed CAP Sustainability Action Plan**



**MORE THAN 90 ACTIONS TO TRANSFORM THE VALLEY FROM
UNSUSTAINABLE TO SUSTAINABLE WATER RESOURCES
MANAGEMENT**

TIME FOR ACTION

DATE: Board Retreat - November 17, 2021
TO: Board of Directors
FROM: Ian Buck-Macleod, Water Resources Manager
SUBJECT: **PRINCIPLES FOR ADDITIONAL CAPACITY CORRECTION**

INTRODUCTION

This session focused on discussing existing and potential principles for increasing the capacity of the Friant-Kern Canal (FKC) above historical use. The objective at the retreat was to discuss these principles, and how to initiate the next phase of capacity correction.

PRINCIPLES FOR CAPACITY CORRECTION

To assist with determining financial responsibility for capacity correction, the following principles were applied to the MRCC Phase I Project (i.e. restoring to historical delivery capability):

- **Responsibility Principle** – All reasonable and practical efforts should be taken to identify those that caused the impact to the facilities and seek available compensation for such damage.
- **Baseline Principle** – restoring facilities to what has been needed historically by long-term contractors should then be allocated among the entire project.

Two potential principles should be considered for capacity restoration above historical delivery capability:

- **System-Wide Principle** – restoring the original designed and constructed capacity is a system-wide benefit that should be paid by all contractors.
- **Willing Participants Principle** – those contractors interested in restoring delivery capability above what has been needed historically should be allowed to contribute separately for that extra capacity in exchange for priority use in the restored section.

TABLE DISCUSSION:

- 1) To what extent are these principles appropriate for increasing capacity above historical use? Are there other principles we should consider?

Federal and State financing should be maximized for system-wide improvements to design capacity / deficiency restoration. Local cost share should be paid by all Friant-Kern Canal contractors (e.g. Family Plan). If a Family Plan does not provide for sufficient funding, there needs to be a path for Willing Participants. This should be kept within the Friant family with costs distributed among beneficiaries (C1 / C2, GSAs, Banking Programs). FWA could operate as a banker.

Payment from Willing Participants could be also used as a loan. As water is moved through the additional capacity, the loan can be paid down; a loan debit for use by Willing Participants, and a conveyance fee through FWA for other contractors. The additional capacity would have priority for Willing Participants under an interim Friant Operating Guidelines until the loan is repaid. A workshop should be convened to discuss details and alternative strategies. Once staff is prepared to present cost estimates, potential

benefits, and repayment strategies, a special workshop should be held with the FWA board to provide guidance on how to proceed further.

Learn from the CVC expansion – canal capacities are not simple, and improvements do not always do what they are expected, which can lead to conflict.

- 2) How should we initiate and fund a process to get started, including how and when to invite willing participants to financially participate in a way that avoids past disputes regarding Zone 3?

An initial investigation into system-wide improvements and contractor prospectus should be paid by all Friant-Kern Canal contractors.

NEXT STEPS:

- 1) Develop and initiate scope of work for initial system-wide improvements study and contractor prospectus – January 2022
- 2) Coordinate with Reclamation and State on potential funding opportunities – March 2022
- 3) Convene contractor workshop – August 2022

DATE: November 15-17, 2021

TO: Board of Directors

FROM: Wilson Orvis, CFO

SUBJECT: **The Cost of Water, Baseline and Objectives**

SUMMARY:

This session focused on the new Goal 4, “Ensure Cost-Effective Operations and Maximize Investment” within the recently updated Friant Water Authority (FWA) Strategic Plan. The primary objectives of this session were:

- (1) achieve a common understanding of the sources, magnitude, and trends for costs of water to the turnouts for Friant Division contractors
- (2) establish the baseline (and associated assumptions) for the “5%-over-five-years” reduction metric
- (3) discuss the value of voluntary agreements to Friant Division

TABLE DISCUSSION

1. What assumed costs should be included in the baseline for the 5%-over-5-year Goal?

With the exception of one table, the general consensus was that routine OM&R costs and regulatory costs (CVP OM&R, FKC ROM&R, SLDMWA ROM&R, CVPIA M&R Surcharges, and Friant Surcharges) should be included in the baseline for this goal. The general rationale was that these costs were the annual “costs of doing business” and that the magnitude and timeframes for costs associated with XM projects were too unique to be included in any meaningful way under this particular objective. One table had a slightly different approach, arguing that there were greater opportunities for FWA to reduce financial exposure and reduce costs on XM projects than on the ROM&R costs as well as concerns that reductions in ROM&R could result in deferred maintenance costs which would be larger in the long-run.

2. Should there be a separate objective for XM Projects? If so, what should it be?
 - For Consideration: Ensure fair allocation of costs to FWA for XM Projects, new agreements, and regulatory costs.

All tables agreed that XM project costs were different, representing significant financial exposure over specific timeframes, and should be treated differently than Routine OM&R costs. In general, feedback centered around quantifying FWA’s potential financial exposure for each XM project (assuming no action by FWA) and measuring success as any reduction from that baseline on a project-by-project basis.

3. What is the value of the Voluntary Agreements to Friant?

Most discussions centered on balancing the projected costs of the VAs (~\$3.6M / Year, 10 years = \$36M) against the projected “value” of the VAs to ensure/protect/increase certainty regarding deliveries to the Exchange Contractors to reduce the potential for a Call on Friant.

NEXT STEPS

1. **[January 2022]** Establish the baseline for the “5% over Five-Year” objective to include projected routine OM&R and regulatory costs for Fiscal Years 2022 – 2026 (CVP OM&R, FKC ROM&R, SLDMWA ROM&R, CVPIA M&R Surcharges, and Friant Surcharges).
2. **[January – June 2022]** Review current methodology for calculating and levying conveyance fees for deliveries to non-Friant Contractors to ensure appropriate revenues are collected to off-set OM&R expenses. This will be increasingly important looking forward to changes in water management practices as agencies address the challenges of SGMA.
3. **[January – March 2022]** Establish separate baselines for each XM project which quantify FWA’s projected financial exposure, assuming “no-action” by FWA.
4. **[Timing Dependent of Progress of VA Negotiations]** As part of the background analysis to support any recommended Board action regarding the Voluntary Agreements, include financial analysis regarding the projected costs against the potential benefits.

Agenda Report

No. 4.B

DATE: December 10, 2021

TO: Board of Directors

FROM: Ian Buck-Macleod, Water Resources Manager

SUBJECT: Water Operations Update

SUMMARY:

CVP allocations have remained unchanged from May 26th, but the CVP allocation for Friant was increased to 25% for Class 1 on November 1st. Updated CVP operations projections were made available in at the beginning of December, which includes an outlook for the coming water year at 90% and 50% exceedance probability hydrology. A significant debt in CVP project supply in Federal San Luis remains, despite the payback of all borrowed SWP water. Most upstream reservoirs are releasing the minimum flow requirements to conserve storage. Hydrologic conditions look to return a more active storm pattern beginning this weekend and continuing for at least the next week.

DISCUSSION:

Inflow Forecasts

After the exceptional storm at the end of October and some smaller storms in the first half of November, conditions have generally been dry and temperatures have been mostly above average for the last month. Precipitation across the State as a percent of normal currently ranges from 57% to 148%. Current forecasts suggest several larger storms will impact most of the State this weekend and next week, with relatively large amounts of snow expected in the Sierras. Overall, between 5 and 7 inches of precipitation are expected in most of the Sierra, and between 1 and 2.5 inches of precipitation in the Sacramento and San Joaquin Valleys. Longer range forecasts suggest conditions are likely to dry out after these storms, but may return to being wet during the week of the 20th.

Although still early in the water year, Table 1 shows the unimpaired inflow forecasts for Shasta and Millerton from the California Nevada River Forecast Center (CNRFC) and the California Department of Water Resources (DWR), respectively. As a result of the shortage criteria, unimpaired inflow to Shasta in WY 2022 needs to be at least 4.0 MAF this year to avoid a Shasta Critical year. The CNRFC's 50% exceedance forecast for both Shasta and Millerton unimpaired inflow indicates a 50% chance of near average inflow.

Table 1. Unimpaired Inflow Forecasts for WY 2022

Item	Exceedance		
	90%	50%	10%
CNRFC Shasta Unimpaired Inflow (TAF) ¹	3350	4580	8550
DWR Shasta Unimpaired Inflow (TAF) ²	3130	4825	7675
CNRFC Millerton Unimpaired Inflow (TAF) ¹	959	1820	3410
DWR Millerton Unimpaired Inflow (TAF) ²	595	1335	2665

Notes:

¹ As of December 8.

² As of December 1.

CVP NOD Operations

Overall CVP North-of-Delta Reservoirs are at mostly below-normal storage levels for this week based on their 15-year average – Trinity, Shasta, and Folsom are 55%, 51%, and 99% of average, respectively. Shasta reservoir releases were reduced in early-November to the minimum flow requirement. All other reservoirs are at or near the minimum flow requirement for this time of year. All reservoirs saw significant storage improvements from the late-October and early-November storms. However, those gains have flatlined during the dry period over the last few weeks.

Figures 1 and 2 show the projected Shasta Lake and Millerton Lake storage through February based off the most recent CVO and SCCAO projections, respectively, as compared to actuals to date. Shasta storage has trended above the 90% exceedance from CVO for most of the past few months, although has dipped below during the recent dry spell. In recent weeks, Millerton Lake storage has trended near the forecast as inflows had increased. Recent storage levels have fallen below the 90% forecast as inflows have dropped off and San Joaquin River Restoration Program (SJRRP) releases have resumed.

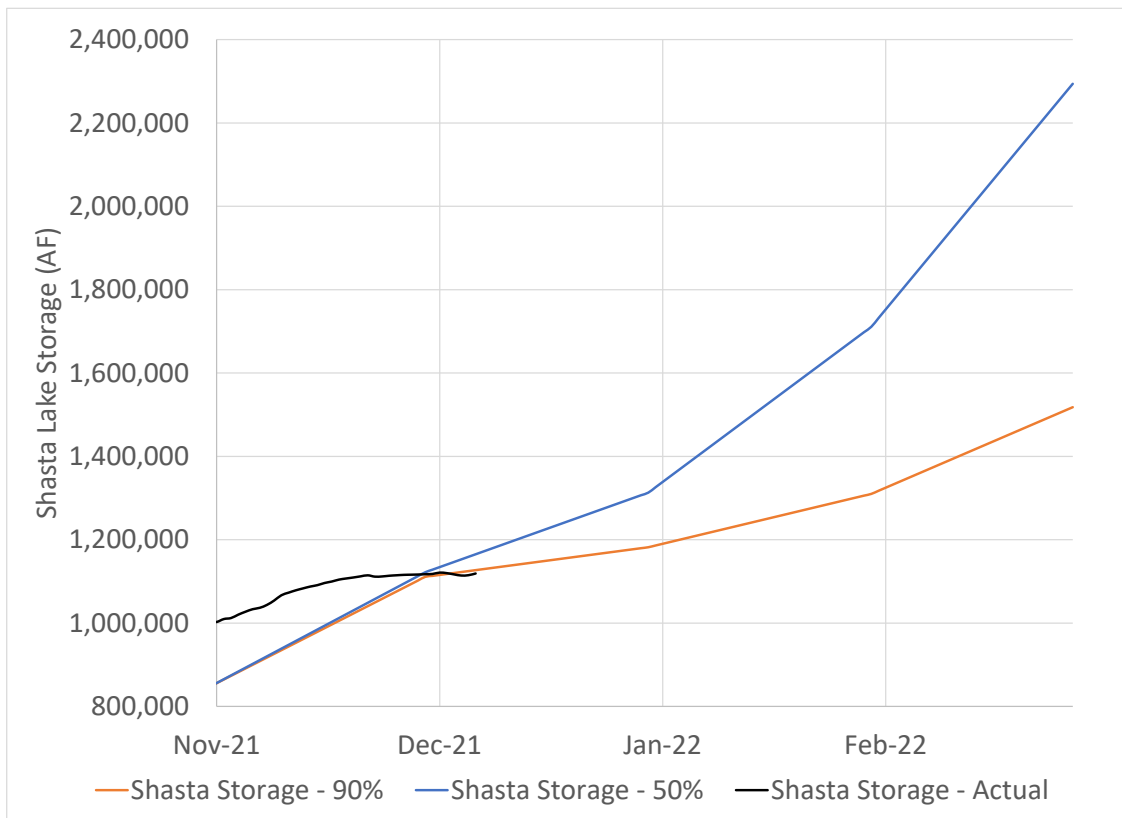


Figure 1. Shasta Lake Storage – December Exceedance Projections Compared to Actuals

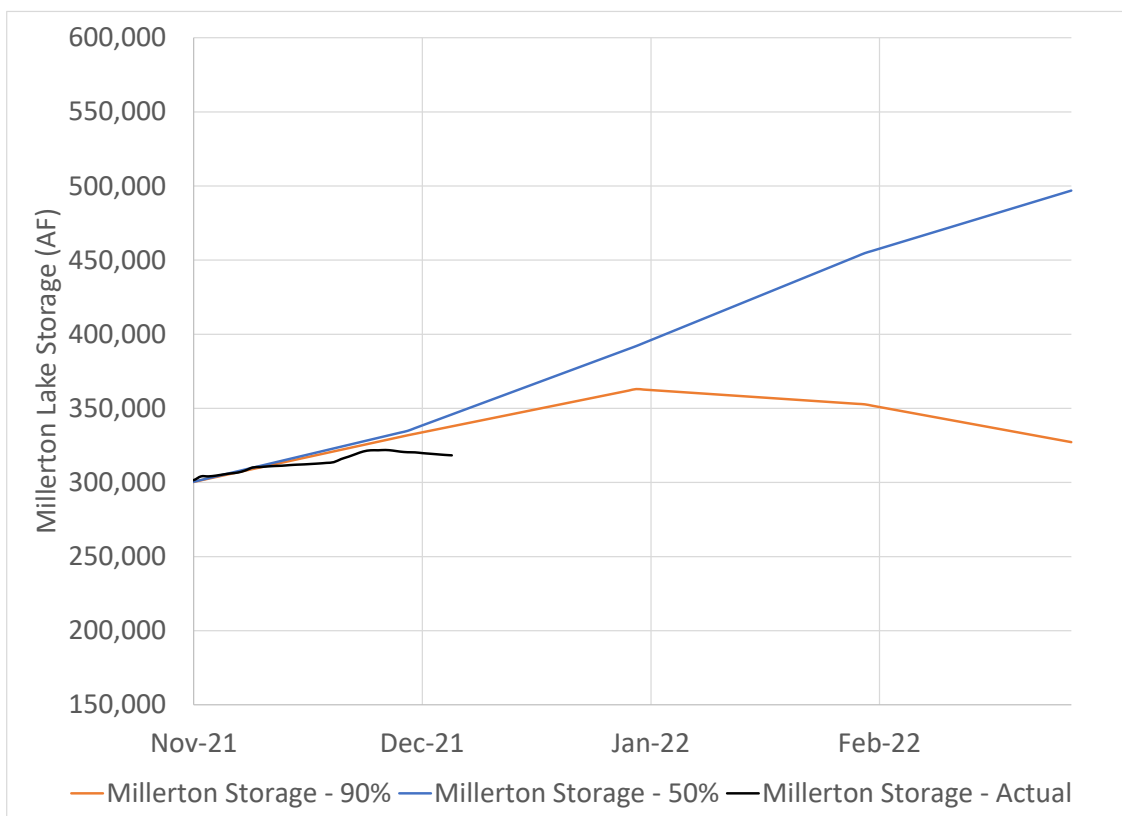


Figure 2. Millerton Lake Storage – November Exceedance Projections Compared to Actuals

CVP SOD Operations

Delta Operations

Exports increased to at or near capacity in late-October to take advantage of the inflows available from the storm events. Exports slowly declined through November and were reduced to minimums (800 cfs at Jones Pumping Plant) in early-December. Exports are likely to increase sometime next week as additional inflow to the Delta becomes available in response to the expected storms. As a result of the current COA debt, the CVP and SWP have agreed that the CVP has first right to export all available Delta inflows that become available above minimum pumping levels.

Figure 3 shows the projected daily Jones pumping through February as compared to actuals to date. Pumping had trended at or above forecasted levels until being in reduced in recent weeks due to dry hydrologic conditions.

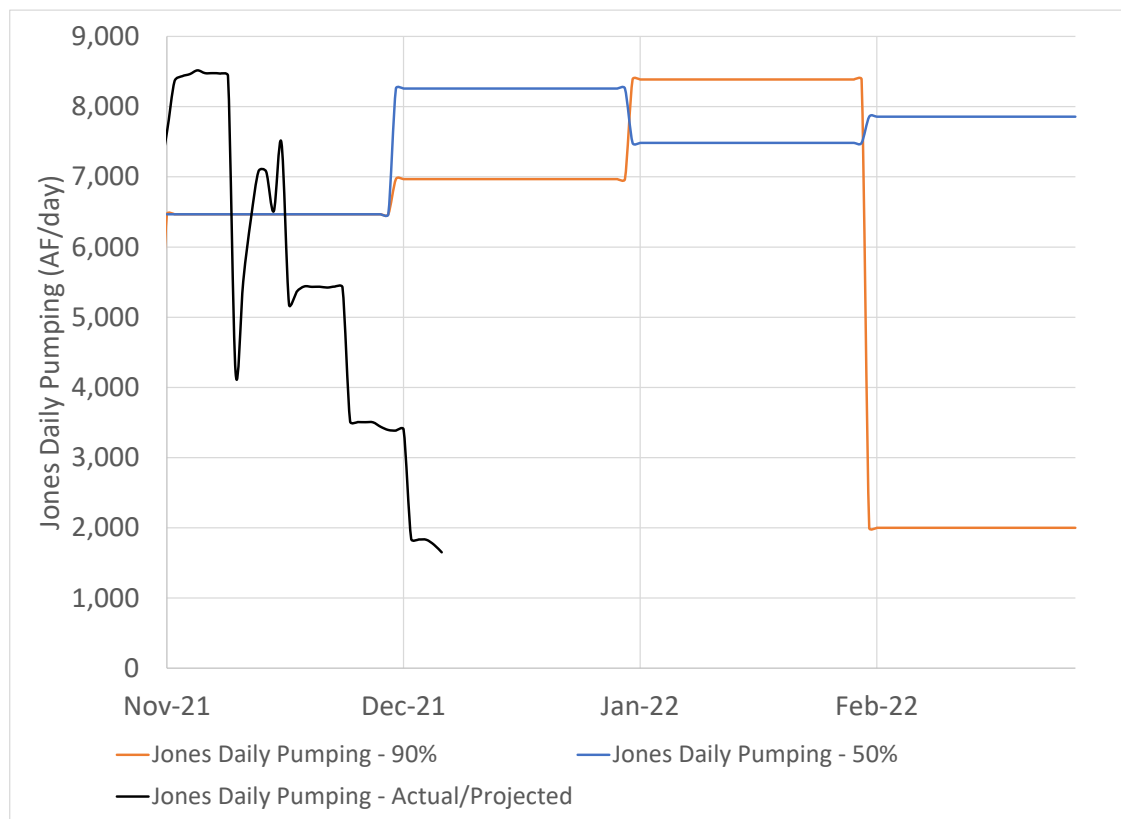


Figure 3. Daily Jones Pumping – December Exceedance Projections Compared to Actuals

On November 30th, the SWRCB re-implemented a number of curtailments on several of the major tributaries in the Sacramento-San Joaquin Delta watershed. An update on December 7th indicated that several of these curtailments remain in effect, including in the Upper San Joaquin River subwatershed. In the Upper San Joaquin, all appropriative water rights with a priority date of 1919 or junior are currently curtailed.

San Luis Operations

CVP San Luis Reservoir storage is at 50 TAF—12% of its 15-year average. The 100 TAF borrowed from SWP San Luis this past summer has been fully paid back over the last month. Figure 4 shows the projected San Luis Federal storage through February as compared to actuals to date.

Three “actual” lines are shown, including the actual physical storage (green), the actual “project” storage (black), and the cumulative Federal San Luis debt (yellow). Actual physical storage has been trending slightly below the forecasted level due to lower than forecast exports in November and the payback of the 100 TAF of borrowed water from SWP San Luis. The remaining Federal debt includes contractor carryover supplies (rescheduled, transfer, and non-project supplies) that were used by the CVP to meet SOD Project demands from San Luis this summer. The actual “project” storage (black) is essentially the difference between actual physical storage (green) and cumulative Federal San Luis debt (yellow – estimated 140 TAF). Based off current forecasts, this debt could be paid back this month; however, this assumes a high level of exports for the remainder of the month, beginning next week (during and after the expected storm events).

Additional detail on the forecasted San Luis reservoir accounting is provided in Table 2, below. Similar to Figure 4, Table 2 demonstrates that until last month, Project exports had been insufficient to meet existing SOD Project demands. The accumulated “debt” began to be repaid in November, and assuming export levels reach the forecasted December levels, storage of project water will be occurring. As noted above, CVP Project supply will not begin to be stored in San Luis until actual storage is greater than the current level of debt.

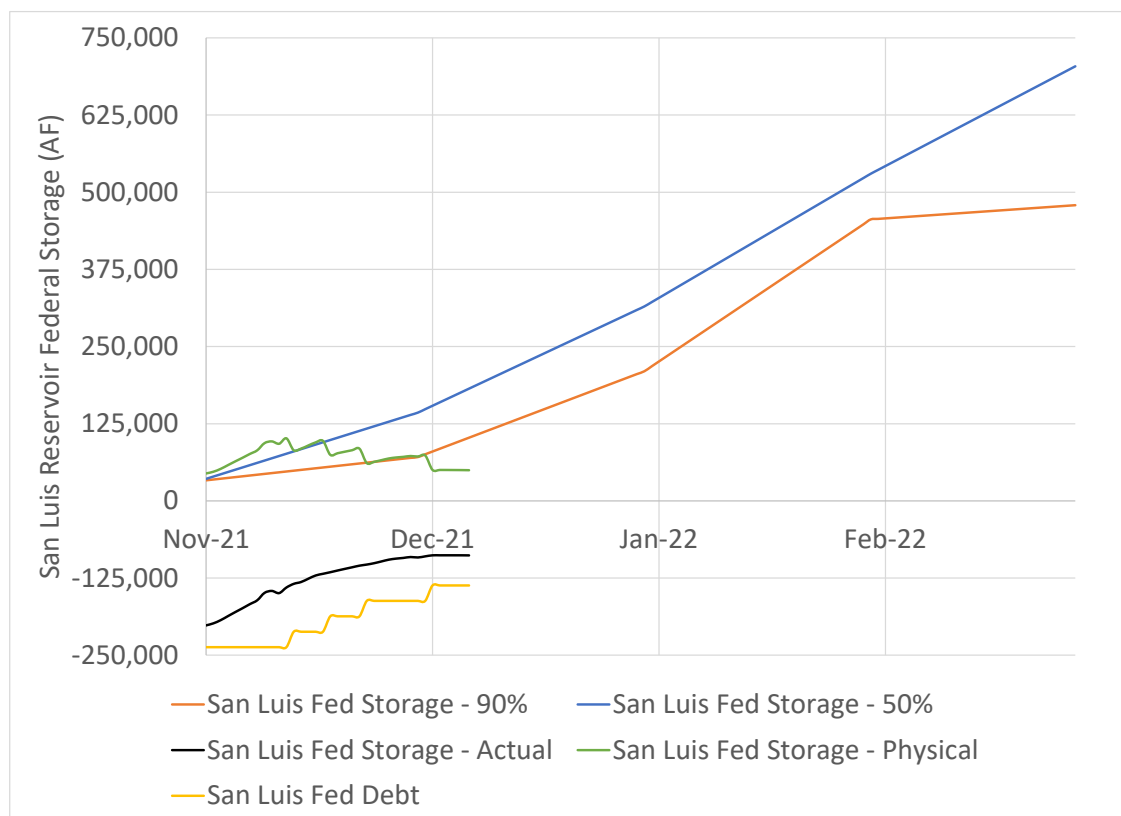


Figure 4. San Luis Federal Storage – December Exceedance Projections Compared to Actuals

Table 2. Forecasted San Luis Reservoir Accounting

	Aug	Sep	Oct	Nov	Dec	Total
Transfer Export	18	101	58	0	0	177
Project Export	35	27	46	183	180	472
Total Export	53	128	104	183	180	649
DMC/Pool	107	72	93	60	44	376
Dos Amigos	21	23	4	4	2	55
Pacheco	9	7	7	7	4	34
CVP SL Evap	8	5	3	1	1	18
Total Use	144	108	107	72	51	482
CVP SL Storage	-75	-59	-60	45	175	
Transfer Use	20	20	0	0	0	40
Reschld / other use	40	40	10	8	8	106
Project Use	84	48	97	64	43	336
Transfer export-use	-2	81	58	0	0	137
Project export-use	-49	-21	-51	119	138	135
SL transfer storage	-2	79	137	137	137	
Deficit (tot SL - transf)	-73	-139	-197	-92	38	

Friant Exchanges

Friant Division water supplies were exchanged in 2021 with the SWP in San Luis Reservoir to Reclamation deliveries for CVP purposes to avoid Friant Dam releases down the San Joaquin River to meet the Exchange Contractor demands. Friant deliveries to the CVC are ceased on October 31 with a total delivery of 44 TAF for an exchange of 38 TAF in San Luis Reservoir considering losses.

In addition to this exchange, Delano-Earlimart ID has exchanged 2,523 AF of its 2020 SJRRP Recapture water in San Luis Reservoir for a like amount in Millerton Lake to support meeting CVP purposes from San Luis Reservoir. Additional Friant Contractors are also planning to exchange Recapture water, which will complete all exchanges of just under 50 TAF from Millerton Lake for 2021.

At this time, initial forecasts suggest there is about a 15% chance that water from Friant will be needed to meet Exchange Contractor demands during the 2022 irrigation season. There are many factors that can affect the need for Friant releases, the most likely include: overall hydrologic conditions, submittal and approval of Temporary Urgency Change Petitions for Project operations, and the 2022 Interim Operations Plan. Each of these items will continue to be tracked as the water year develops.

Friant Division Allocation

Friant Division Contractors

The initial CVP Friant allocation of 20% of Class 1 supplies (160 TAF) was increased to 25% on November 1st. Reclamation stated that carryover into water year 2022 will be limited to the lesser of a) The Contractor's amount of unused Class 1 as of October 31st or, b) 10% of Maximum Class 1 contract quantity.

San Joaquin River Restoration Allocation

An updated and final allocation was released on June 25th, with the allocation remaining at a Critical-High level of 70,919 AF. On November 15th, the Restoration Administrator submitted a revised flow recommendation. The recommendation is based in part on recent evaluations of temperature conditions in Millerton Reservoir, which, along with anticipated cooler ambient air temperatures, provide the opportunity to increase flows past Gravelly Ford on or about November 24th. Releases would increase by 100 cfs every 10 days until a target of 300 cfs of Restoration Flow at Gravelly Ford is achieved (expected on or about December 8th). The recommendation includes a series of pulses in late February that are expected to last approximately two days each. Beginning January 20th, the target flow at Sack Dam is 285 cfs or less.

San Joaquin River Restoration Recapture

WY 2021 recapture and conveyance agreements with PID and BCID have been approved by the FWA Board and both district boards. The agreements are effective March 1, 2021 through February 28, 2022. The SWRCB approved a one-year recapture permit on April 30. No recapture had occurred prior to the halting of restoration flows due to lack of capacity at both PID and BCID. Flow available for recapture is expected to begin around January 15th. From mid-January through the end of February up to 8 TAF of recapture could occur at PID and BCID. However, the ultimate volume is largely dependent on diversion capacity and available capacity in the DMC.

Agenda Report

No. 4.B(c)

DATE: December 10, 2021

TO: Board of Directors

FROM: Ian Buck-Macleod, Water Resources Manager

SUBJECT: **Friant-Kern Canal Water Quality Guidelines**

SUMMARY:

In response to concerns regarding programs and projects on the Friant-Kern Canal (FKC) which could potentially introduce water of lesser quality, as compared to historic Millerton Lake water quality, FWA is working with Friant Contractors and Reclamation to implement a revised FKC Water Quality Guidelines. In addition to helping streamline future contractor pump-in projects, the Guidelines are paramount to completion of the environmental compliance documents for the Long-Term Recapture and Recirculation of Restoration Flows Project for the San Joaquin River Restoration Program, as well as the Friant-Kern Canal Reverse Pump-Back Project.

BACKGROUND:

FWA staff presented Draft Guidelines in the summer of 2020 during Friant-wide workshops and to the Board. The Guidelines included a Water Quality Mitigation Ledger, Water Quality Monitoring Plan, and a Water Quality Model that were developed through coordination with the Ad Hoc Committee. The Ad Hoc Committee is made up of Friant Contractor directors and district managers from Arvin-Edison Water Storage District (AEWSD), Delano-Earlimart Irrigation District (DEID), Kern-Tulare Water District, Lindsay Strathmore ID (LSID), Lower Tule River ID, Pixley ID, Porterville ID (PID), Shafter-Wasco ID (SWID), Saucelito ID (SID), and Terra Bella ID (TBID).

In the summer of 2021, FWA staff presented to the Board and Ad hoc Committee updates to the Guidelines based on considerable coordination with Reclamation. Reclamation has indicated it will not directly adopt the updated Guidelines at this time, however, will consider permitting FWA to implement the Guidelines in a manner that is binding on all parties that desire to introduce non-Millerton water into the FKC. In order for Reclamation to consider permitting FWA to implement the Guidelines, Reclamation is requesting that Friant Contractors develop an agreement to voluntarily enact these Guidelines.

CURRENT STATUS:

FWA staff have been meeting with Shafter-Wasco Irrigation District and Cross Valley Contractors to address concerns related to the current version of the Guidelines. In addition, FWA counsel is developing a draft Guidelines Agreement for contractors' and Reclamation review and consideration. FWA staff are continuing to coordinate with Reclamation on accounting procedures related to the Guidelines. FWA staff will provide an update to the Ad Hoc Committee in January 2022 on potential proposed changes to the Guidelines, and draft Guidelines Agreement. If acceptable, FWA will request Reclamation review, and evaluate next steps in the voluntary agreement process, and CEQA compliance prior to Board action.



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