



Meeting Minutes

Meeting of the California Water Commission

Wednesday, May 18, 2022

State of California, Resources Building

715 P Street, First Floor Auditorium

Sacramento, CA 95814

Beginning at 9:30 a.m.

1. Call to Order

Chair Matthew Swanson called the meeting to order at 9:30 a.m.

2. Roll Call

Executive Secretary Kimberly Muljat called the roll. Commissioners Arthur, Gallagher, Makler, Solorio, Steiner, and Swanson were present, constituting a quorum. Commissioner Curtin was absent.

3. Closed Session

The Commission did not hold a closed session.

4. Approval April 20, 2022 Meeting Minutes

Commissioner Gallagher motioned to approve the April 20, 2022, meeting minutes.

Commissioner Makler seconded motion. All Commission members present voted in favor.

5. Assistant Executive Officer's Report

Assistant Executive Officer Laura Jensen said the Governor's May revise budget includes \$500 million for Water Storage Investment Program (WSIP) projects. It is still a proposal, and staff will revisit once the budget is finalized. On April 22, Executive Officer Yun presented at the Riverside County Water Task Force Speaker Series on the Water Storage Investment Program (WSIP), our Water Resilience Portfolio actions, and the State Water Project (SWP) review, focusing on drought and climate resilience. The Commission will not hold a June meeting and will meet next on July 20, where we will host the first expert panel on drought. Commissioner Gallagher and Chair Swanson will participate in the June 7 meeting of the California Department of Food and Agriculture (CDFA) to have a dialogue about agriculture and drought. CDFA board members will be invited to our July meeting.

6. Commission Member Reports

Commissioner Makler had a lunch meeting with Jonathan Young of the State Water Contractors where they discussed energy and water policy. Commissioner Gallagher attended the California Farm Bureau Water Forum.

7. Public Testimony

Jim Brobeck, Water Policy Analyst from AquAlliance and part of a stakeholder advisory committee for a Butte County groundwater sustainability agency, said California's Water Portfolio is dominated by the obsession of water market expansions and unsustainable demand-driven infrastructure. The portfolio confirms the intention to privatize aquifers through groundwater banking, streamlined water transfer sales, and artificial recharge of intentionally overdrawn basins in the Sacramento Valley. Groundwater dependent ecosystems provide the quality of life for the region's residents and serve as the canary in the coal mine that indicate the sustainable trajectories in water supply for the entire state. A program-specific network of shallow monitoring wells should be developed to detect changes in water levels over the shallowest portion of the aquifer. Senior water districts have added groundwater to their portfolios by developing a massive network of wells tapping the deepest portion of the Tuscan aquifer. Perennial streams are becoming ephemeral, the health of the groundwater dependent urban forest of Chico is declining, and hundreds of domestic wells are going dry. California must not turn a blind eye toward the explicit connection between groundwater dependent habitat health and a reliable water supply.

8. Consideration of Action on Requested Resolutions of Necessity for the Yolo Bypass Salmonid Habitat Restoration and Fish Passage Project (Big Notch Project) – Batch B, Step 2 (Action Items)

On March 18, 2022, the Department of Water Resources (DWR) notified the Commission of its intent to seek Resolutions of Necessity (RONs) for the Big Notch Project (BNP) in furtherance of a potential eminent domain action. DWR cannot commence an eminent domain proceeding unless the Commission first adopts the RON. At the Commission's April 20, 2022, meeting, DWR presented a report on each property, containing information required by Code of Civil Procedure. At this meeting, the Commission considered whether there is enough evidence to satisfy the Code of Civil Procedure and adopt the RON for each property noted on the agenda. To adopt the RON requires a two-thirds vote of all members, which is a minimum of six votes in favor, regardless of the number of Commission members present.

Commission Legal Counsel Holly Stout explained that this is the second step for the RONS that were presented at last month's meeting. The final RONS for the BNP should come before the Commission between September and November 2022.

Elizabeth Vasquez, Environmental Program Manager I from DWR's Division of Integrated Science and Engineering, presented an overview of the BNP, including its goals and impacts on the State Water Project (SWP) operations. The BNP will enhance floodplain rearing habitat and fish passage in the Yolo Bypass and is required for the long-term coordinated operations of the SWP and Central Valley Project (CVP) compliance by the 2019 National Marine Fisheries Service Biological Opinion and the 2020 California Department of Fish and Wildlife Incidental Take Permit. The Fremont Weir diverts flood water into the Yolo Bypass and disconnects the Sacramento River and the floodplain during fish migration periods. The proposed BNP includes

excavated channels and a gated headworks that reintroduce the connection for fisheries purposes. The operation period is from November 1 to March 15.

Rachel Taylor, from DWR's Office of General Counsel, presented information regarding the specific properties listed on the agenda and how those properties are necessary to meet the goals of the BNP, and updated the Commission about the efforts DWR has made to work with the landowners. DWR is seeking flowage easements for the purpose of fish passage as required mitigation for the long-term operations of the SWP and has authority under Water Code to acquire property rights required and necessary for the operation of the SWP. This provision allows DWR to acquire the property without changing, replacing or supplanting the existing public use. They are also seeking future rights for the adaptive management portion of the easements. DWR is not authorized to operate the project for adaptive management purposes. The adoption of the RON does not stop negotiations, nor does it have any bearing on the discussions of compensation for infrastructure changes necessary for the property operation.

8A. Dan and Neil Dougherty, et al.

DWR is seeking a 323.54-acre easement. Land is currently used for duck hunting. The United States Fish and Wildlife Service (USFWS) holds a conservation easement on the property.

Public comment from Gary Livaich, representing the landowners for agenda items 8A, 8B, and 8C, who said due to the money DWR already spent on site preparation for this project, the Commission's discretion has been eliminated and the outcome predetermined, and anticipates a unanimous vote in favor of the RONs. The RON calls out a singular project. The proposed easement that DWR is asking for talks about present and future floodplain projects. The RON and easement must be consistent. Big Notch is the only project that has been disclosed to the landowners. How many future projects will there be? DWR is seeking authority for future undisclosed projects, but no evidence as to their need has been presented. The adaptive management plan calls for operational dates from November 1 to March 15 with a maximum flow of 6,000 cubic feet/second (cfs). Nowhere does it say that the plan calls out an additional 5,000 acres to be flooded or that a maximum flow of 12,000 cfs will be pushed through the Big Notch through May. Future uses are not defined. Limit the decision to the evidence before the Commission and adopt only the project previously designed and permitted. Owners were only advised of the project as it was designed and permitted. None have been given the opportunity to see the appraisal report. The proposed easements will significantly impair the purposes of the existing Federal conservation easements.

Comment from Dr. Polly Wheeler, Assistant Regional Director of the USFWS National Wildlife Refuge System, who said at this point it is not clear if the proposed flowage easement is compatible with their conservation easement and is concerned there could be negative impacts to waterfowl habitat suitable for migratory birds. USFWS is in support of the BNP but believes the flooding occasioned by the project could have negative effects to the public benefits for which their easement was acquired. The Federal process needs to be followed.

Public comment from Darla Guenzler, Executive Director of the Wildlife Heritage Foundation, who said state law requires easement holders to receive notice prior to the offer being made to the landowner. USFWS received word on the same date as the landowner.

Public comment from Mark Hennelly from California Waterfowl Association (CWA), who said they are concerned about the negative effects of the project on conservation easements in the Yolo Bypass, as well as the impacts on duck clubs and landowners. Easement programs have proven the most cost-effective way to achieve conservation benefits for both waterfowl and wetlands. The project as currently proposed harms wetlands and other waterfowl habitat. Increasing the depth and duration of flooding at the height of waterfowl migration will deprive ducks and geese of necessary food resources and habitat cover and drive them away from the conservation easements. If landowners believe easements are not effective or durable, many are not going to enroll their properties in easement programs. Habitat for waterfowl and other wetland dependent species is just as important as habitat for fish and the state should not be picking one species' needs over another.

Vice-Chair Steiner asked Ms. Taylor for an update on the California Environmental Quality Act litigation and to respond to the comment about future projects and what would be required of them from a legal standpoint. She was told that one lawsuit has been resolved in DWR's favor, the second is still in briefing, and any future projects would depend on the annual monitoring data required by the adaptive management process.

Commissioner Makler asked Ms. Taylor to clarify that any potential projects would only be associated with the BNP, and was told yes, it could only be used for the species defined in the adaptive management plan.

Commissioner Arthur asked Ms. Taylor how the benefits of the managed wetland habitats were considered in the DWR process and was told that DWR looked at the fact that this area is already as a managed floodplain with water flows that are not controlled by the landowner but by the level of the Sacramento River, and the timing of this project would not change the land use. Commissioner Arthur asked DWR staff to address DWR's involvement in the Federal compatibility analysis and was told it was a collaborative process and conversations are ongoing between DWR, the landowners and the USFWS. She asked about landowner communication going forward and was told that negotiations become a more data driven, formal, evidence-gathering process. During operations, data will be posted on a public platform. Adaptive management would require subsequent environmental compliance.

Commissioner Gallagher asked what time frame a landowner would have during adaptive management to prepare and was told there would be daily updates on the website and they would follow standard practice for notifying the public. She asked if landowners can see what the comparables were that decided the value of their property, and was told the 20% assessed value is a professional opinion, and it was all included in the packets provided to the landowners.

Vice-Chair Steiner asked DWR staff to address the public comment about the failure to comply with the notice requirement and was told that Civil Code Procedure 1240.055 says you must inform them at the time of the first written offer or 105 days prior to the RON hearing, whichever is earlier, and in this case, the first written offer was more than 105 days prior to the hearing.

Chair Swanson asked if landowners have the ability to retain their own third-party appraisal to submit for discussion and was told yes.

Commissioner Makler motioned to vote on the RON for the property. Commissioner Arthur seconded. Commissioners voted 6-0 to adopt the RON for the property. Motion passed.

8B. John and Judy Whitcombe, et al.

DWR is seeking a 338.21-acre easement for two properties. Land is currently used for duck hunting. The USFWS holds a conservation easement on the property.

Comment from Dr. Polly Wheeler, Assistant Regional Director of the USFWS National Wildlife Refuge System, who reiterated her comments from Agenda Item 8A, and added that in response to the Commissioner Arthur's question about their compatibility determination process, the Refuge Improvement Act says "a compatible use is one that, in the sound professional judgement of the USFWS, will not materially interfere with or detract from the mission of the system or the purposes of the refuge."

Vice-Chair Steiner asked DWR to confirm that the questions they asked for Item 8A also pertain to Items 8B and 8C and was told yes.

Commissioner Makler motioned to vote on the RON for the property. Commissioner Gallagher seconded. Commissioners voted 6-0 to adopt the RON for the property. Motion passed.

8C. WS2 Ranch, LLC.

DWR is seeking a 493-acre easement. Land is currently used for duck hunting. The USFWS holds a conservation easement on the property.

Comment from Dr. Polly Wheeler, Assistant Regional Director of the USFWS National Wildlife Refuge System, who reiterated her comments from Agenda Items 8A and 8B.

Commissioner Makler motioned to vote on the RON for the property. Commissioner Gallagher seconded. Commissioners voted 6-0 to adopt the RON for the property. Motion passed.

8D. Ray and Della Thompson Trust, et al. was removed from the agenda.

8E. Lynch Family Trust, et al.

DWR is seeking a 160-acre easement. Land is currently used for row and field crop cultivation.

Vice-Chair Steiner asked about the letter received from the landowner that states the land could be inundated for 365 days a year and was told that even if adaptive management were to extend the flooding period, the easement would not allow them to flood 365 days a year.

Commissioner Arthur asked DWR staff to repeat what impact the modeling says in terms of dates, depth, and range, and was told that the properties currently flood about 70 percent of the years. The BNP would increase flooding on those days to about 90 percent of those years. Some properties have additional extra days where water would be on the land because it takes longer for that much water to clear off. The amount extra days and depth of the water was provided to the landowners in the packets so they could see the comparisons.

Comment from Elizabeth Campbell Lynch, who questioned the appraisal, saying it does not reflect the draft easement terms for adaptive management, which would severely impact her property. She also submitted written comment.

Commissioner Gallagher asked DWR staff to explain how the 20% appraised value was ascertained, and how DWR determined the minimal versus severe impact, and was told that the adaptive management modeling provided to the appraisers was a worst-case scenario. Each property was assessed separately; the 20% is the professional opinion of the appraiser.

Commissioner Makler motioned to vote on the RON for the property. Commissioner Arthur seconded. Commissioners voted 6-0 to adopt the RON for the property. Motion passed.

8F. Knaggs Ranch, LLC.

DWR is seeking a 2,140-acre easement. Land is currently used for row and field crop cultivation.

Commissioner Makler motioned to vote on the RON for the property. Vice-Chair Steiner seconded. Commissioners voted 6-0 to adopt the RON for the property. Motion passed.

9. Water Storage Investment Program: Request to Increase Early Funding Award Amount (Action Item)

In February 2022, the Commission voted to adjust the Maximum Conditional Eligibility Determinations (MCEDs) of all projects in the WSIP to account for inflation. Per the program regulations, WSIP projects may receive up to 5% of a project's MCED as an early funding award to pay for completion of environmental documentation and permits. The Commission considered a request from Contra Costa Water District (CCWD), proponent for the Los Vaqueros Reservoir Expansion Project, to increase its early funding amount to 5% of the new MCED.

WSIP Manager Amy Young provided some background on early funding, and explained that it is a portion of the overall MCED, not an addition to it. Based on the inflation adjustment to CCWD's MCED, they are eligible for an additional \$927,917 in early funding.

CCWD Special Project Manager Maureen Martin presented an overview of the off-stream reservoir in Contra Costa County that has a current capacity of 160,000 acre-feet and operates in conjunction with four Delta intakes. The expansion will increase reservoir capacity to 275,000 acre-feet. A new pipeline will connect the system to the California Aqueduct at Bethany Reservoir. A recently formed Joint Powers Authority will finance the project and enter into the contracts for administration of public benefits. The project will provide ecosystem public benefits in the form of increased water supply for wildlife refuges, and improved survival of migrating salmonids; catastrophic and drought emergency response; and enhanced recreational opportunities at the reservoir and in the watershed. Non-public benefits include increased supply reliability, improved drinking water quality, and enhanced regional collaboration. Early funding is spent on program management, environmental planning, and engineering feasibility. Environmental documentation is complete, draft permit applications have been submitted, and water rights change petitions have been drafted. The design of the dam raise is 95% complete and a Division of Safety of Dams permit is expected this summer. They are seeking to extend the early funding term through December 2023 to align with the current schedule and ensure the agreement remains in place until the final award hearing.

Vice-Chair Steiner asked staff to clarify that Commissioners are only voting to increase the early funding amount and not to increase the length of the term and was told, yes, Commission staff has the authority to amend funding agreements, but the Commission has to vote to increase funding amounts.

Vice-Chair Steiner motioned to vote for an early funding increase. Commissioner Solorio seconded. Commissioners voted 6-0 to approve an early funding increase. Motion passed.

10. Groundwater Trading: Final White Paper (Action Item)

Assistant Executive Officer Laura Jensen presented for Commission review and approval a final draft of the white paper containing findings around how to shape well-managed groundwater trading programs and proposed next steps for State engagement. The white paper synthesizes the information the Commission gathered for its consideration of well-managed groundwater trading programs to support Water Resilience Portfolio Action 3.6 – create flexibility for groundwater sustainability agencies to trade water within basins by enabling and incentivizing transactional approaches, including groundwater markets, with rules that safeguard natural resources, small- and medium-size farms, and water supply and quality for disadvantaged communities. A draft paper was presented to the Commission in January. Changes to the draft in response to public comments include moving some information from the body of the report to Appendices 1, 2, 4, 5, and 6. Appendix 3 was added to address public comments about allocations and water rights. Information on Groundwater Sustainability Plans (GSPs) providing the foundation for trading was added to the introduction. More information on GSP outreach and stakeholder engagement was added to cross-cutting themes section, as well as an update on GSPs already submitted. Findings 2 and 3 were added to address the identification and involvement of small- and medium-sized farm and disadvantaged communities. Finding 5 was added to address proactive management of GSPs. Some mechanisms for safeguarding

vulnerable users were added to Finding 8. Added to the Potential Next Steps for State Engagement introduction was the need for proper resourcing for state agencies, the need for immediate action and collaboration, and the offer of continued engagement from the Commission should it be requested by the implementing agencies. Newly added next steps are to develop a workplan for implementation, and to incentivize well-managed groundwater trading. Next Steps 9 and 10 were moved from Group 2 to Group 1 because they can be done within the State's existing authority. Group 2 next steps would require the legislature to grant the State new authority. Appendix 1 includes more information about land use, potential overdraft, who the buyers and sellers might be, and community water needs and engagement.

Appendix 4 includes information on DWRs' Human Right to Water Policy, the Water Board's Human Right to Water and Racial Equity Resolution, CDFW's enforcement of the California Endangered Species Act and their support of the No Net Loss Policy, and CDFA's Relevant Grant Programs and Office of Farm Equity.

Paul Gosselin, Deputy Director of DWR's Sustainable Groundwater Management Office, said the white paper identifies some of the concerns that occur through unregulated markets and brings awareness to the potential impacts on vulnerable users from in-basin groundwater trading. The paper provides an organized scope for the relevant state agencies to continue progressing with these conversations, beginning with Action 1. Developing a workplan will be foundational and DWR is ready to take the lead on that along with the other state agencies and carry out its oversight role for the Sustainable Groundwater Management Act (SGMA). These actions will take time, especially with groundwater trading in its infancy. DWR will do this in parallel with SGMA implementation.

Public comment from Ben King, whose family has been farming in Colusa County since 1860 and has been an active stakeholder in the SGMA process, who said the Human Right to Water and Racial Equity Resolution should be delegated to the groundwater sustainability agency (GSA) level to enforce. Water quality standards are needed in markets and groundwater trading should not impact the GSA's ability to reach measurable objectives. He cited studies that show the valley's arsenic problem stems from volcanic rock in the Sutter Buttes, and noted the need to respect the geology of the valley as this program is implemented.

Public comment from Thien Tran, Policy Advocate for Community Water Center, who said their deep skepticism for groundwater trading programs stems from their work with residents who are most impacted by groundwater overdraft. There is little evidence that GSAs can establish trading programs that will protect the drinking water of hundreds of disadvantaged communities and hundreds of thousands of domestic wells. Groundwater levels in the San Joaquin Valley continue to decline, causing 12,000 more homes to lose access to running water. People that will benefit from groundwater trading will be agricultural, food processing, and petroleum industries. Those that cannot afford the market will have to sell their water and get out of the business. To achieve sustainability, we need to think big picture instead of shifting around the shortage via a privatized exchange. We need to capture the water at high elevations and let it flow slowly down, percolate, and recharge the fields. GSAs have a focus on water

markets instead of reducing demand. Water markets are appealing as they imply the promise you can buy your way out of scarcity. GSAs and SGMA must protect drinking water users.

Public comment from Jim Brobeck, Water Policy Analyst from AquAlliance who served on the Vina GSA stakeholder advisory committee, one of many that overlie the three-county Tuscan aquifer system. Stakeholders have been excluded from inter-basin coordination meetings, which are dominated by larger non-residential landowners including water districts engaged in water transfer sales. They interpret the legislative intent and lax definitions of safe yield defined in SGMA to create GSPs that maximize yield by drawing down basins to create additional groundwater storage space and implementing experimental recharge projects. In-basin water trading will accelerate intentional basin overdraft and result in the privatization of aquifers that are now common property of the public. The recharged water stored underground becomes the possession of the recharger who can exercise full ownership of the water. It would eventually facilitate the transfer of recharged water out of the basin. Aquifer privatization will terminate the balance of Sacramento Valley aquifers, damage urban areas and destabilize agriculture, streams, and wildlife. The white paper's assurance that safeguarding natural resources will be honored are belied by the complete failure of water agencies to create groundwater dependent ecosystem habitat monitoring networks. In-basin trading south of the Delta could conceivably have benefits but intentional overdraft of Sacramento Valley aquifers tied to expanded water markets points the state toward desertification. The dream of increasing supply must be replaced by the reality of identifying carrying capacity, respecting ecosystem habitat, and managing unsustainable demand.

Commissioner Solorio thanked Commission staff for their work on the white paper.

Commissioner Makler said the Commission should be proud of the white paper and hopes that it serves as a basis for what role the Commission can be as a forum for these very complex ideas that require a lot of engagement. He would like to revisit this a year from now. He is hopeful that, at the local GSA level, parties will be able to work out the complexities of overlapping and conflicting water rights, that the State can help with the dissemination and development of technology to better understand the hydrology and geology affecting basins, and to bring more transparency to water markets.

Commissioner Gallagher said she appreciated the focus on local control because it will ultimately come down to the GSAs' governance. Groundwater trading may not be used by everyone, but it can be useful in some parts of the state. She would also like to revisit this a year from now because there will be things discovered along the way. She likes that the Commission is encouraging groundwater trading starting on a small-scale level. Any concerns she had going into this project have been addressed.

Commissioner Arthur thanked Commission staff for their efforts and said it highlights the role of the Commission to be able to take on a topic that is new but really important and has huge consequences. She thanked the stakeholder advisory group and workshop participants. Trust is critical and this was a productive first step in hearing people's concerns. She stressed the

importance of the State oversight role to ensure all beneficial users we heard from are considered. She would like DWR to keep us informed on their workplan and continue the engagement with stakeholders.

Chair Swanson said it has been an exhaustive, highly detailed, highly consultative process. SGMA is brand new, and stakeholder are still figuring out how to work together. You cannot unlock a true solution without this type of tool. Groundwater trading in California can be a template for the world if we do this right.

Commissioner Steiner motioned to vote to approve the white paper. Commissioner Arthur seconded. Commissioners voted 6-0 to approve the white paper. Motion passed.

11. State Water Project Briefing: Meeting the Financial and Logistical Challenges Associated with a Changing Climate

The second State Water Project (SWP) briefing of 2022 continue to explore this year's theme of preparing for climate extremes and ensuring a reliable SWP to meet the challenges of drought, flood, and wildfire. SWP Deputy Director Ted Craddock offered opening remarks and said that in low water allocation years the importance of the SWP is even higher in terms of the reliability of the system. It is important that we continue to implement sound financial practices because the cost of water is higher on a volume basis as there are fixed operating costs to maintain the system. In addition to water supply, the system also provides public benefits like recreational opportunities and power that supports the electric grid. He offered appreciation for the administration's focus in recent years to provide supplemental funding. The SWP is more than 50 years old, so increased attention on reliability and infrastructure investments is important. To ensure DWR is placing its resources on the right priority, it has been implementing risk-informed decision processes, and the administration has provided it additional human resources to get the important work done. DWR employees are its most important asset.

State Water Project Financial Manager Hong Lin provided an overview of the annual budget review and multi-year cost planning. Having a solid, sustainable financing plan is critical to the SWP, whose annual revenue is \$1 billion, not counting the revenue from power generation. There is \$300 million in capital financing for projects. Funding comes from the 29 SWP contractors, the Bureau of Reclamation for facilities that are jointly operated, revenue from power generation, and the Davis-Dolwig Fund for fish and wildlife enhancement. Funds are used for operations and maintenance (O&M), debt service, capital projects, and programs planned for the future of the SWP. Challenges include aging infrastructure, adaptation to climate change, and inflation. Regional water contracts end in 2035. The Contract Extension Amendment will extend them for 50 more years to secure long-term financing. The Portfolio, Project, and Resource Management system identifies, prioritizes, and allocates resources. The Cost Allocation and Billing allocates costs across 700 miles of the SWP. It includes new billing methodology to improve efficiency and enhance transparency. The SWP plans its annual budget through the Bulletin 132 cost planning process, bills the SWP contractors on a calendar year basis, and conducts financial analysis to forecast future revenue needs. The cost projection includes personnel, operating expenses and equipment, costs for water supply, and cost-share.

The statement of charges, or the bills to the 29 water contractors which makes up 90 percent of the revenue, only includes the reimbursable water supply that is billable to the contractors. Their goal is to narrow the gap between the approved budget and the actual budget, as projections for the following year are based on data from the current year.

Division of O&M Manager David Duval provided a briefing on the SWP Asset Management Program and on staffing changes associated with the new funding to address aging infrastructure. During any given year there are more than 200 projects being worked on. A lot are dam safety projects. The SWP needs to be resilient to address climate change. Primary challenges include changing hydrology, wildfire impacts to watersheds, aqueduct subsidence, and aging infrastructure. The SWP is resilient by design. Storage and conveyance facilities are designed to be flexible in operation. DWR's asset management efforts are modeled after the International Standard for best practices. The primary components include risk management, maintenance planning and tracking, emergency preparedness, and contingency planning. Current SWP asset management initiatives include working on transformers across the state and the South Bay Aqueduct. Resilience actions include emergency response exercises, forecast-informed reservoir operations in the Feather River Watershed, and an update of the Lake Oroville Water Control Manual. 150 new positions over four years are centered around maintenance and asset management, 67 positions began in fiscal year 2021-22.

Commissioner Solorio asked DWR to clarify the electricity costs and was told that while plants use power, they also generate power which is then sold back to the grid to offset power costs.

Commissioner Steiner asked if the 67 hires this year are new positions or do some replace people that are retiring or moving to other jobs. She was told that they are all new positions, and they have close to that number to still fill due to retirements and movement.

Commissioner Makler asked if the \$300 million in capital financing includes just projects or also O&M and was told it was just for projects. He asked how DWR plans for long-term aging infrastructure repair and was told they are looking at diversifying their funding resources. A piece of the asset program is doing 20 years-and-beyond projections.

12. Consideration of Items for Next California Water Commission Meeting

The Water Commission will not hold a meeting in June. The next meeting of the Water Commission is currently scheduled for Wednesday, July 20, 2022. At the July meeting, the Commission will consider approving regulations for the Division of Safety of Dams, will receive an update on the WSIP, and will host an expert panel on drought.

13. Adjourn

The Commission adjourned at 2:19 p.m.