



Meeting Minutes

Meeting of the California Water Commission

Wednesday, January 15, 2025

California Natural Resources Building

715 P Street, 1st Floor Auditorium

Sacramento, California 95814

Beginning at 9:30 a.m.

1. Call to Order

Vice Chair Fern Steiner called the meeting to order at 9:35 a.m.

2. Roll Call

Commissioners Bland, Curtin, Makler, Matsumoto, Moulène, Solorio, and Steiner were present, constituting a quorum.

3. Acknowledgement of California Native American Tribal Governments

This is an opportunity for elected Tribal leaders and formally designated Tribal representatives to identify themselves and to specify the agenda item(s) on which they will comment, as described in the Commission's California Native American Tribal Leadership Comment Policy. No Tribal leaders or representatives requested to comment.

4. Approval of November 20, 2024, Meeting Minutes

Commissioner Curtin motioned to approve the November 20, 2024, meeting minutes. Commissioner Makler seconded the motion. All Commissioners present voted to approve the minutes.

5. Executive Officer's Report

Executive Officer Laura Jensen provided remarks on the ongoing wildfires in Southern California, noting the Commission's sympathy towards all those affected. Ms. Jensen also expressed gratitude to the first responders who have worked tirelessly since the wildfires began. She also provided information on the wildfires and noted that Governor Newsom called for an independent investigation into the loss of water pressure to local fire hydrants and the reported unavailability of water supplies from the Santa Inez Reservoir, located near the Palisades fire. She added that there is presently no water shortage in Southern California, and reports making that claim are false. The wildfires in Southern California are unprecedented and in response Governor Newsom has declared a state of emergency and issued several executive orders aimed at organizing resources and personnel to combat the fires. She added that although the Commission is not the go to source of information regarding the wildfires, she encouraged those who are seeking information to visit www.ca.gov/lafires. Executive Officer

Jensen also reported out on the participation numbers from the November Commission meeting. Additionally, staff submitted a Public Records Act request in December to the Contra Costa Water District for information pertaining to the Los Vaqueros Reservoir Expansion project. Two batches of information were received and are being reviewed by legal staff. Lastly, Executive Officer Jensen announced that Commission Legal Counsel Holly Stout has accepted a promotion and thanked Ms. Stout for her work with the Commission.

Ms. Stout said that working for the Commission had been enlightening and engaging and that she will be transitioning out of the role gradually.

Commissioner Makler congratulated Executive Officer Jensen and Ms. Stout on their new roles.

6. Commission Member Report

Commissioner Makler reported that he would need to leave the meeting at 2:15 p.m.

7. Public Testimony

Public comment from Pascha, who identified themselves as a member of the Fort Yuma Quechan Tribe and asked if the Water Commission is currently interacting with the Fort Yuma Quechan Tribe.

Executive Officer Jensen said that the Commission is not currently interacting with that Tribe.

Public comment from Regina Chichizola, from Save California Salmon (SCS), who said that SCS is engaged in water rights hearings and are advocating to receive protections for rivers that are being impacted by the Sites Reservoir Project. She said it is obvious that the Sites Project did not consult with Native American Tribes, nor take actions to protect Tribal resources. Additionally, comments made to the Commission and to the Governor's Office regarding Tribal consultation have been extremely fraudulent. Ms. Chichizola encouraged the Commission to talk directly to Tribes and communities that are impacted by WSIP projects. She also noted that California is experiencing multiple natural emergencies including wildfires, toxic algae, and drinking water issues, and it is unfair to put the burden of the State's water needs onto just a couple of watersheds. Projects like Sites are taking too much of the water in Northern California, water which should be used to protect fisheries and local communities, including Tribes who are heavily impacted. Ms. Chichizola said there are many options to ensure communities have enough water, including reuse and other local solutions. She does not think that money should be put into large reservoirs that take the burden of the State's water use and puts it onto local communities, Tribes, and fisherman.

8. Election of Officers (Action Item)

Commissioner Makler nominated Vice Chair Steiner to serve as Chair and Commissioner Kim Gallagher to serve as Vice Chair for the coming year. Commissioner Moulène seconded the motion and motioned to close the nominations and vote. Commissioner Bland seconded the motion to close the nominations. Commissioners Bland, Curtin, Makler, Matsumoto, Moulène

and Solorio voted to elect Commissioner Steiner as Chair; Commissioner Steiner abstained. All Commissioners present voted to elect Commissioner Gallagher as Vice Chair.

9. 2025 Commission Workplan

Executive Officer Jensen provided an overview of the 2025 workplan, highlighting planned Commission activities and anticipated subjects for discussion in the upcoming year. She reminded Commissioners that all activities are subject to change, and that planned activities will support the implementation of the Commission's 2025 Strategic Plan.

10. Water Storage Investment Program: Projects Update

Water Storage Investment Program (WSIP) Manager Amy Young provided an overview of the WSIP and an update on the progress of projects in the program.

Public comment from Anthea Hansen, General Manager of the Del Puerto Water District and current chair of the Los Vaqueros Joint Powers Authority (JPA), who commented that the agencies involved in the JPA were very interested in the potential for alternative conveyance offered by the Los Vaqueros project which would help address challenges like moving water from Northern California to the southern parts of the state. Specifically, there was interest in the Transfer-Bethany Pipeline. Ms. Hansen noted that the Del Puerto Water District and Stanislaus Regional Water Authority have two joint projects, the Regional Surface Water Supply Project and the Del Puerto Canyon Reservoir Project, which were submitted during the WSIP screening process and recognized as eligible for funding, should the Commission decide to award any available funding. The Del Puerto Canyon Reservoir Project would be an 82,000 acre-foot off stream water storage reservoir and would offer ecosystem and flood control benefits. Ms. Hansen said she hopes that the Commission will grant the two projects the ability to deliver those benefits to communities.

Public comment from Osha Meserve, Stop Pacheco Dam Coalition, who commented that the October 31, 2024, quarterly report for the Pacheco Reservoir Expansion Project illustrates that the project is not making progress and is becoming more infeasible. She said that the report did not provide a timeline for the release of a draft Environmental Impact Report (EIR) on geotechnical investigations, which is an insignificant development. The report also indicates that state and federal permits will be issued in 2026 and 2027, which is not realistic. Additionally, a chart in the quarterly report shows that the project would not meet the California Environmental Quality Act (CEQA) requirements before the contract for the administration of public benefits would be approved, which does not make sense. Ms. Meserve also noted that according to the report there is ongoing consultation with the Amah Mutsun Tribal Band, and that Tribal representatives have expressed their dissatisfaction with the consultation practices. Ms. Meserve said that the quarterly report should be amended, or the project proponent should at least make changes to the next quarterly report. The permitting and environmental community concerns continue to be very severe and significant. The project does not own the land they would need for the project and the cost benefit ratio that was provided to the Commission previously continues to get worse. Costs are also escalating and

there are no project partners. Ms. Meserve encouraged the Commission to cease funding to the Pacheco project.

Public comment from Regina Chichizola, Save California Salmon, who said there needs to be serious discussions on whether the public benefits that money has been awarded for are actually being met for WSIP projects. Ms. Chichizola said it is apparent that groundwater and conveyance projects can help address the state's water storage issues and provide some environmental benefits, however that is not always the case and there needs to be additional attention given to the current allocation of funds. She also said that as racial equity plans move forward, more attention needs to be given to the WSIP projects. She noted that SCS is seeing serious water quality and global warming impacts such as toxic algae coming from the Sites project, which is negatively affecting communities in the Delta. She encouraged the Commission to take a hard look at larger water storage projects and do things like a public trust analysis and an equity analysis to determine whether the awards for these projects are appropriate. Ms. Chichizola added that as more requests for funding come to the Commission, there also needs to be more analysis of tribal consultation and racial equity practices and the environmental impacts on affected communities, including Tribal communities, to determine whether projects are feasible and should receive permits.

Commissioner Curtin asked if the Del Puerto Canyon Reservoir Project had previously applied for WSIP funding. Ms. Hansen said the project did apply and was conditionally approved as eligible for funding, but at the time did not have a full application. Commissioner Curtin asked why the project did not submit a full application. Ms. Hansen answered that they did not have the documentation needed to submit a full application at that time.

Commission Legal Counsel Holly Stout recommended that the Commission refrain from discussing the Del Puerto Canyon Reservoir Project further, as it was not agendaized.

Commissioner Makler asked if the Commission could receive a briefing on the overall context of the importance of water storage, including a summary of what the State's objectives are in terms of water storage and how those objectives address the water needs of climate change, population growth, and habitat restoration.

Commissioner Curtin asked how much water will not be stored as a result of the Los Vaqueros project's withdrawal from the WSIP. Executive Officer Jensen said that question would be answered in the next agenda item.

11. Water Storage Investment Program: Los Vaqueros Reservoir Expansion Project Update
WSIP Manager Amy Young provided an overview and brief history of the Los Vaqueros Reservoir Expansion Project, and noted recent actions taken by the Contra Costa Water District (CCWD) and the Commission that led up to the project's withdrawal from the WSIP. Ms. Young also noted that the withdrawal of the project will reduce the State's overall capacity to store water by 115,000 acre-feet. The overall capacity outlined in the Governor's Water Supply Strategy would therefore decrease from 2.77 million acre-feet to 2.65 million acre-feet. Public benefits that were expected from the project would also not materialize. Ms. Young said there

is still an emphasis on increasing water storage and noted that the Commission will hear more regarding funds authorized by Proposition 4. Ms. Young also said that Taryn Ravazzini from the Los Vaqueros Reservoir JPA, Rick Ortega from Grassland Water District, and Brooke Jacobs from the California Department of Fish and Wildlife (CDFW) were in attendance and were available to answer questions from the Commission.

General Manager of the CCWD Rachel Murphy provided an overview of the Los Vaqueros Reservoir Expansion Project, including the proposed project's operations and benefits. She also described unique aspects and challenges of the project. Ms. Murphy presented a list of the project's partners and noted what agreements and permits were required to deliver the project's benefits. She then outlined recent events and a timeline of actions that led to the project's withdrawal from the WSIP. Ms. Murphy noted a few areas of work where there was some public value that was gained through the course of the project, including the partnerships that were created and the knowledge that was shared between project partners. She emphasized that there is still a high level of cooperation and coordination between project partners to find regional solutions to address the State's water storage needs.

Commissioner Solorio left the meeting.

Public comment from Rick Ortega, General Manager of the Grassland Water District, who said his water district is unique in that they exclusively deliver water for habitats. Mr. Ortega noted that in 2018 the Water Commission awarded 1.3 billion dollars to the Los Vaqueros and Sites Reservoir projects, of which one billion dollars would provide for about 90,000 acre-feet of water to be delivered annually to Central Valley wildlife refuges. When combined with existing water supplies, that would be enough to support 125,000 acres of wetlands in California. Ninety-five percent of wetlands have been lost, and Central Valley refuges support one of the largest migrations on Earth and are critical for many animal species on the brink of extinction. Mr. Ortega said that providing adequate water to those wetlands has been a struggle, but Grassland Water District has worked tirelessly to provide water to those refuges, including working on the Los Vaqueros project. He added that additional work was done on the contract for the administration of public benefits with the CDFW and negotiations with the United States Bureau of Reclamation (USBR) on delivery of water to the refuges. Mr. Ortega encouraged the Commission to use their role to work with other projects that can provide refuge benefits, like the Sites project which has a conditional award that is tied to refuge water supply benefits, and the Del Puerto Canyon project.

Commissioner Solorio returned to the meeting.

Public comment from Taryn Ravazzini, Executive Director of the Los Vaqueros JPA, who thanked the Commission and Commission staff for their work on the Los Vaqueros project and noted that the WSIP program and the projects themselves are highly complex. Ms. Ravazzini said they appreciate the public's interest in wanting to invest 2.7 billion dollars in water storage and that the Los Vaqueros project checked all the boxes that were needed for a project of this scope in California. She expressed the JPA's disappointment in the current state of affairs and said that

although they just voted to dissolve the partnership, the member agencies remain committed to continuing to work together. She said that the level of integration exemplified by the Los Vaqueros project was very unique and while the projects do face a lot of challenges, she encouraged the Commission to continue having hope for these projects. Ms. Ravazzini said there is a need to put forth money into a broad portfolio of options and that she looks forward to having more conversations with the Commission on water storage and water infrastructure.

Commissioner Curtin thanked the presenters for taking on the challenges associated with the Los Vaqueros project and asked if there was a possibility for each project partner to do a review of what the return on investment was for each project proponent, and what could have worked better throughout the process. He added that one of the Commission's roles going forward should be to explore what happened with projects that don't get completed and analyze what can be done to change the process so that more projects can move forward. He also said that California's water and energy situations are not getting better and will not get better unless large water storage projects are completed.

Commissioner Matsumoto asked how the gap of public benefits left by the withdrawal of the Los Vaqueros project can be filled, and if the modeling and intellectual property gained can be used to fill that gap. She also asked what benefits were produced from the \$24 million that were invested in early funding for the project. Additionally, she asked if improvements to the conveyance pieces of the project are viable as standalone projects and if they could move forward independent of the project's storage components.

Mr. Ortega answered that the Sites Reservoir project is a good candidate to fund to fill the gap left by the withdrawal of the Los Vaqueros project. Both the Sites project and the Del Puerto project would provide benefits to refuge water supplies. He added that the modeling that was done for the Los Vaqueros project has led to a better understanding of the water needs of refuges and wildlife.

Ms. Murphy added that the CCWD is committed to utilizing their existing water supplies to find ways to provide ecosystem benefits. She said that Commissioner Matsumoto's question about if pieces of the project can be viable by themselves is more complex, however the work products will inform future projects. A conveyance-only option was considered by the CCWD in 2020 but did not move forward.

Ms. Ravazzini said that the greatest loss to the project is not getting water to the wildlife refuges and agreed with Commissioner Matsumoto that there is a gap that needs to be filled. She emphasized Mr. Ortega's comments and added that there is a strong desire amongst the JPA member agencies to think creatively about how to continue supporting regional integration with municipal, agricultural and environmental partners. She said there is a need to better understand what governance structures can help move projects like Los Vaqueros forward successfully. She noted that the Los Vaqueros project was unique in that it had a single asset owner, whereas a project like Sites has a completely different structure.

Commissioner Makler expressed his disappointment at the current state of the project and said that the project proponents did not properly communicate the state of the project to the Commission. He stressed the need for water storage in the face of climate change and population growth. Commissioner Makler said he was sympathetic to the comments made and that there are many complications to bringing a project like Los Vaqueros to fruition. Commissioner Makler expressed a desire for greater notice requirements and more frequent conversations with project proponents. He noted that although the Commission is not a permitting agency, and does not adjudicate CEQA, they are a forum to discuss project viability. Commissioner Makler asked if the \$174 million from the federal government had been received and if that money was no longer available to the project. Staff from the project proponents confirmed that the money had not been received and is no longer available. Commissioner Makler said that the project proponents are walking away from three quarters of a billion dollars and in a period of three to four months made a determination to end the project without having a discussion with the Commission. He asked what the status of the federal funds are and if those funds will be utilized in California.

Ms. Murphy confirmed that there was about \$180 million in federal funding that was allocated to the project and about \$900 million of the \$1.6 billion construction cost was funded by the project's local partners.

Commissioner Solorio commented on the complexities of large water storage projects and said it is vital to continue talking about how to address the State's environmental and water needs. He said that there is a lot of old infrastructure that needs to be upgraded, and he is saddened the project is not moving forward. Commissioner Solorio also said that the Commission should not have been blindsided by the withdrawal of the project and in order to address that issue moving forward the Commission should be engaging at the local level and doing more tours of project sites. He said he looks forward to using the funds that will become available to bring other projects to fruition.

Commissioner Moulène asked that the project partners continue engaging with the Commission in order to resolve outstanding questions on why the Commission was not made aware that the project was going to withdraw, and where the funds that were allocated as part of the early-funding award were allocated to.

Commissioner Curtin said that groundwater solutions are fundamental to the climate change risks that California faces. He also said that the Commission should be reevaluating the nature of California's water system, as it does not properly address modern issues. He added that he does not believe that anyone involved with the Los Vaqueros project had bad intentions and the Commission should play a role in providing advice to project partners and policy makers.

Commissioner Matsumoto asked for clarification on the project's relationship with the USBR. Ms. Murphy answered that the USBR and CCWD have been partners for years and they were heavily involved in technical studies and project operations related to the Los Vaqueros project.

Mr. Ortega added that the USBR was supportive throughout the process and played a critical role in delivering water supplies to the wildlife refuges.

Commissioner Steiner expressed disappointment at the state of the Los Vaqueros project and added that there is an opportunity for project partners to work with Commission staff to figure out what worked well, what did not work, and what changes can be made to the process so that other WSIP projects can move forward successfully.

12. 2024 Annual Review of the State Water Project (Action Item)

Water Code section 165 requires the Commission to conduct an annual review of the progress of the construction and operation of the State Water Project (SWP). Public Information Officer Paul Cambra presented the draft 2024 Annual Review of the SWP for Commission consideration and approval. Mr. Cambra summarized the findings of the Commission and presented the Commission's recommendations to DWR. He reminded Commissioners of their options to either approve the report or suggest revisions, in which case Mr. Cambra would bring the report back to the Commission at a later date.

Commissioner Curtin asked for clarification on the report's findings regarding drought. Executive Officer Jensen clarified that the information in the report is linked to the Governor's Water Supply Strategy, and that although precipitation levels may not change, there are atmospheric forces that could occur that would lead to a drier climate.

Commissioner Makler commented on elements of the report including extreme swings in the fluctuation of water allocation and power generation. He emphasized the need for more water storage facilities and further investment in the infrastructure of the SWP.

Commissioner Curtin asked for clarification on the nodes throughout the canals that the report lists as critical. Mr. Cambra said that those nodes were identified as high priority nodes that would be upgraded in the near future.

Commissioner Curtin motioned to approve the report. Commissioner Matsumoto seconded the motion. All Commissioners present voted to approve the report.

13. Closed Session

The Commission held a closed session, pursuant to Government Code §11126(e), to confer with and receive advice from its legal counsel regarding the following pending litigation: *Conaway Preservation Group, LLC v. California Department of Water Resources, California Water Commission, et al.* (Yolo County Superior Court, Case No. CV2024-3069, petition filed November 22, 2024).

The Commission took a one-hour lunch break.

The Commission announced that action was taken in the closed session to direct the Commission's Legal Counsel to work with the California Attorney General's Office.

14. Update on Engagement Numbers, Near-Term Actions, and Planning

This item was postponed.

15. Legislative Update

Department of Water Resources Deputy Director for Legislative Affairs Kasey Schimke provided an overview of the legislation that DWR monitored and analyzed during the 2024 Legislative Session and an overview of the 2025 Legislative calendar.

Commissioner Curtin asked for clarification on the language in Proposition 4 regarding the use of funds for the WSIP. Executive Officer Jensen said that staff are looking into the implications of the language in Proposition 4 and will be presenting on that topic at the next Commission meeting. Ms. Jensen also said that the language in Proposition 4 does not change the language in Proposition 1.

Commissioner Curtin asked if DWR sponsored Assembly Bill 2079. Mr. Schimke confirmed that they did. Commissioner Bland asked if DWR sponsored Senate Bill 366. Mr. Schimke said that DWR did not sponsor that bill, and that the sponsor was a coalition of interested parties.

Commissioner Solorio asked for clarification on the Governor's legislative priorities and action related to the Delta Conveyance Project. Mr. Schimke answered that the Governor is very supportive of the Delta Conveyance Project and has redirected DWR to review plans for a single tunnel and move forward with the project's EIR. He added that DWR is interested in seeing the Bay-Delta Water Quality Control Plan and Agreements to Support Healthy Rivers and Landscapes plans come to fruition as well.

16. Consideration of Items for the Next California Water Commission Meeting

The next meeting is currently scheduled for Wednesday, February 19, 2025, when the Commission will host the first State Water Project briefing of 2025, receive the monthly update on the WSIP, discuss options for utilizing any returned WSIP funding, hear updates on the Harvest Water Program and Kern Fan Conjunctive Use Program, and receive an early funding request from the project proponents of the Kern Fan Program.

17. Adjourn

The Commission adjourned at 2:40 p.m.