



Meeting Minutes

Meeting of the California Water Commission

Wednesday, September 17, 2025

California Natural Resources Building

715 P Street, Auditorium

Sacramento, California 95814

Beginning at 9:30 a.m.

1. Call to Order

Commission Chair Fern Steiner called the meeting to order at 9:31 a.m.

2. Roll Call

Commissioners Bland, Gallagher, Makler, Matsumoto, Solorio, and Steiner were present, constituting a quorum. Commissioner Curtin arrived during agenda item five.

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 asked to comment.

4. Approval of August 20, 2025, Meeting Minutes

Commissioner Bland motioned to approve the August 20, 2025, meeting minutes.

Commissioner Makler seconded the motion. All Commissioners present voted to approve the minutes.

5. Executive Officer's Report

Executive Officer Laura Jensen introduced Anthony Austin, new legal counsel for the Water Commission and reported on the engagement and participation numbers from the September Commission meeting. Executive Officer Jensen reported that on August 21, 2025, an email was sent to the Commissioners from a representative of the Kern Fan Groundwater Storage Project, which violated the Commission's Ex Parte Policy. Executive Officer Jensen also reported that on August 26, 2025, the Santa Clara Valley Water District Board of Directors voted to halt work on the Pacheco Reservoir Expansion Project and sent a letter to the Commission withdrawing the project from the Water Storage Investment Program.

Commissioner Curtin arrived.

6. Commission Member Report

There were no Commission Member Reports.

7. Public Testimony

There was no public comment.

8. Annual Update on Department of Water Resources' Activities

Karla Nemeth, Director of the Department of Water Resources (DWR), provided an update on DWR's activities, accomplishments, and challenges over the past year. Director Nemeth also discussed progress toward implementing Goal Four of DWR's strategic plan, highlighted the past year's accomplishments and challenges, and discussed expected activities in the coming year.

Public comment from Peter Van Dyke, from the Loma Prieta Resource Conservation District, recommended that DWR supervise the planning and design of flood control projects to improve groundwater recharge and use nature-based solutions that mimic natural processes, which would help restore riparian habitats and benefit diminishing wildlife. Mr. Van Dyke also commented on mitigation efforts for riparian habitats and investing in wastewater recycling as a means to addressing water shortages.

Commissioner Curtin expressed support for the Delta Conveyance Project (DCP) and said there needs to be an educational process based on science to overcome political opposition. He expressed interest in DWR's relationship with energy, noting that the public often doesn't understand the complexities of water and power. Director Nemeth concurred with Commissioner Curtin's comments and said the State needs to have a clear vision for how to adapt the Sacramento-San Joaquin River Delta to the impacts of climate change.

Commissioner Makler suggested that in addition to educating policymakers, DWR should consider developing educational programs for high school students.

9. State Water Project Briefing: Adaptation Strategies and Operation Update

DWR Principal Engineer for the State Water Project (SWP) David Gordon provided background information regarding California's relationship with water and a historical overview of the construction of the SWP.

DWR Deputy Director John Yarbrough, provided an overview of the SWP's Climate Adaptation Strategy, which aims to enhance resilience, increase efficiency, minimize risks, and ensure sustainability of the SWP by detailing seventeen strategies to address the effects of climate change. The plan identifies and explains five key strategies: enhanced asset management, California Aqueduct subsidence remediation, the Delta Conveyance Project, updating the Lake Oroville Flood Control Manual, and increasing south-of-Delta storage.

SWP Operations Manager Tracy Hinojosa provided an update on current-year operations, including the current water year allocation, planning decisions made to date, current hydrology, and considerations for the rest of the year.

Public comment from Rebecca Eisenberg, who suggested that when evaluating projects like the Delta Tunnel [Delta Conveyance Project], a broader definition of "costs" should be considered to account for costs to ecosystems, communities, indigenous Tribes and ancestral ways of life in the Delta.

Commissioner Gallagher said one of the challenges for local water projects, such as those aimed at addressing subsidence, is fairly distributing credit for water recharge efforts and asked how DWR is working with local communities to address challenges posed by subsidence. Mr. Yarbrough said addressing subsidence is a complex challenge that will require the full involvement of all impacted parties, including the SWP, the Central Valley Project, and local communities. Mr. Yarbrough acknowledged DWR's work to analyze the effects of subsidence and said the primary focus is figuring out solutions to address subsidence.

Commissioner Matsumoto asked for clarification on the SWP's allocation system and how the impacts of climate change affect current water allocations. Mr. Yarborough said the SWP's water allocations are based on the hydrology of the Feather River and to address the inherent uncertainty of water levels in the Feather River, DWR allocates water to its customer agencies based on how much water is available each year. Mr. Yarbrough said lower allocation numbers are due to the standing assumption that the next water year will be dry. This risk management perspective also gives more flexibility to DWR's customer agencies. Commissioner Matsumoto asked if the goal is to reach 100 percent allocation each year. Mr. Yarbrough said the current allocation depends on the hydrology of the Feather River, and even when the system is working perfectly, if the water in the Feather River is not there, allocations would not be able to reach 100 percent. Ms. Hinojosa said that water allocations have fluctuated since the beginning of the SWP, and there have only been a handful of years where allocations have reached 100 percent.

Commissioner Bland asked if the responsibility for water conservation and consumption in the event of a population increase lies with the State Water Contractors (SWC). Mr. Yarbrough said the most effective water conservation happens at the local level, through direct engagement with water users.

Commissioner Makler asked what the overnight cost or total capital budget would be to modernize the SWP. Mr. Yarborough said the SWC mentioned at a previous Commission meeting it would cost approximately \$30 to \$40 billion. Commissioner Makler reiterated Commissioner Matsumoto's comments regarding the SWP's water allocation formula. Mr. Yarbrough said current groundwater storage levels are also a key variable in determining the overall health of California's hydrology.

Commissioner Curtin commented on the challenges facing the state regarding the declining snow pack, subsidence and the infrastructure needed to move water into the Delta as precipitation south of the Delta continues to decline. Commissioner Curtin asked how DWR views the future of precipitation and how they will adapt to a drier future. Mr. Yarbrough said precipitation may change, but current modeling does predict warmer temperatures, which will result in less snow. Commissioner Curtin said the Delta Conveyance Project is mission-critical in

order to move water from northern California to south of the Delta to stabilize groundwater systems and prevent desertification.

10. Water Storage Investment Program: Projects Update

Water Storage Investment Program (WSIP) Manager Amy Young provided an update on the progress of projects in the WSIP and highlighted the decision by the Santa Clara Valley Water District to suspend work on the Pacheco Reservoir Expansion Project and withdraw from the WSIP.

Commissioner Solorio asked that Santa Clara Valley Water District staff identify the positive outcomes resulting from the expended funds on the Pacheco Reservoir Expansion project and report to the Commission at the October meeting.

11. Water Storage Investment Program: Sites Project Early Funding Request (Action Item)

WSIP Manager Amy Young provided information regarding the Sites Project Authority's request for additional early funding for the Sites Project, which would bring the total early funding to the full five percent of the current Maximum Conditional Eligibility Determination (MCED). The additional \$10.9 million in funding would cover activities already completed and those planned for the upcoming year. Commission staff recommended that the Commission award the additional \$10.9 million in early funding to the Sites Project.

Executive Director for the Sites Project Authority Jerry Brown presented the request for additional early funding for the Sites Project and provided an update on project progress.

Sites Project Finance Manager Shayleen O'Connell provided a brief overview of how the additional early funding would affect the project's schedule.

Commissioner Curtin asked for clarification regarding the project's flood control benefit. Mr. Brown said the flooding of I-5 near Sites Valley in 2017 was caused by a series of powerful, short-term precipitation events and watershed drainages that overflowed the capacity of local drainage channels.

Commissioner Makler asked for clarification regarding the project's development and construction timeline and asked when the project will be in position to move forward with construction. Mr. Brown said the Sites Project will be entering into contract agreements for pre-construction activities in November or December of 2025 and construction will likely begin at the end of 2026, after achieving 100 percent participation from their investors.

Commissioner Curtin asked if the Sites Project had considered any outside investments to fund construction costs. Mr. Brown said a significant portion of construction costs will be funded by the United States Department of Agriculture (USDA) and Water Infrastructure Finance and Innovation Act (WIFIA) loans. He also said outside investments could be considered in the future, but revenue bonds are preferable.

Commissioner Solorio moved to adopt the staff recommendation and award \$10.9 million in additional early funding to the Sites Project. Commissioner Gallagher seconded the motion. All Commissioners present voted to adopt the staff recommendation.

12. Best Practices in Meaningful Tribal Engagement and Consultation

Executive Manager for DWR's Office of Tribal Affairs (OTA) Anecita Agustinez provided an overview of current state policies mandating Tribal consultation and Tribal engagement with California Tribes. Ms. Agustinez reviewed best practices regarding Tribal engagement and summarized the role of State agencies in addressing historical practices and how the current application of State policies, regulations and guidelines can be implemented to achieve meaningful engagement with Tribal governments and Tribal communities.

Commissioner Makler asked about the role of the Bureau of Indian Affairs (BIA) in California and the relationship between the BIA, California Tribes, and state agencies, particularly as it relates to the National Environmental Policy Act (NEPA). Ms. Agustinez said DWR engages with the BIA and the Indian Health Service (IHS) on water projects that overlap with Tribal lands to address sanitation, housing and other Tribal needs. She said prior to 2014, DWR worked with Tribes, the BIA and the IHS on NEPA compliance for Integrated Regional Water Management Program (IRWM) grants due to restrictions on state grants.

Commissioner Bland asked if Tribes are responsible for maintaining their own water infrastructure, quality, and supply. Ms. Agustinez said some Tribes have state status, enabling them to manage their own water infrastructure and conduct their own water quality monitoring. She said many other Tribes lack this status and depend on partnerships with local and state governments, such as the State Water Resources Control Board, for assistance. State funding, such as from the Safe and Affordable Funding for Equity and Resilience program, is available to aid Tribes provided they cultivate those local relationships. Ms. Agustinez said many Tribes also have their own water codes governing water quality and monitoring practices that are more stringent than state codes.

13. Consideration of Items for Next California Water Commission Meeting

At the October meeting, in addition to the monthly WSIP update, the Commission will receive an update on the Pacheco Reservoir Expansion Project, outreach and engagement numbers, and legislative topics related to the Water Commission.

14. Adjourn

The Commission adjourned at 1:50 p.m.