

SOLANO COUNTY WATER AGENCY



BOARD OF DIRECTORS MEETING

BOARD OF DIRECTORS:

Chair:

Mayor Pete Sanchez
City of Suisun City

Vice Chair:

Director John D. Kluge
Solano Irrigation District

Mayor Elizabeth Patterson
City of Benicia

Mayor Thom Bogue
City of Dixon

Mayor Harry Price
City of Fairfield

Director Ryan Mahoney
Maine Prairie Water District

Director Dale Crossley
Reclamation District No. 2068

Mayor Norm Richardson
City of Rio Vista

Supervisor Erin Hannigan
Solano County District 1

Supervisor Monica Brown
Solano County District 2

Supervisor Jim Spering
Solano County District 3

Supervisor Skip Thomson
Solano County District 5

Supervisor John Vasquez
Solano County District 4

Mayor Len Augustine
City of Vacaville

Mayor Bob Sampayan
City of Vallejo

GENERAL MANAGER:

Roland Sanford
Solano County Water Agency

DATE: Thursday, August 10, 2017

TIME: 6:30 P.M.

PLACE: Berryessa Room
Solano County Water Agency Office
810 Vaca Valley Parkway, Suite 203
Vacaville

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **APPROVAL OF AGENDA**

4. **PUBLIC COMMENT**

Limited to 5 minutes for any one item not scheduled on the Agenda.

5. **CONSENT ITEMS** (estimated time: 5 minutes)

(A) Minutes: Approval of the Minutes of the Board of Directors meeting of July 13, 2017 is recommended.

(B) Expenditure Approvals: Approval of the July 2017 checking account register is recommended.

(C) Purchase of a Dodge Ram 5500 for Field Operations: Authorize General Manager to execute a purchase order for Dodge Ram 5500 in the amount of \$78,000 to replace existing work truck.

(D) Action to Reject Claim of John and Dorothy Ann Parkinson: Authorize General Manager to sign Notice of Rejection of John and Dorothy Ann Parkinson flood damage claim.



6. **BOARD MEMBER REPORTS** *(estimated time: 5 minutes)*

RECOMMENDATION: For information only

7. **GENERAL MANAGER'S REPORT** *(estimated time: 5 minutes)*

RECOMMENDATION: For information only.

8. **SOLANO SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY - GENERAL STAFFING AGREEMENT AND COORDINATION OF GROUNDWATER SUSTAINABILITY AGENCIES IN SOLANO SUBBASIN** *(estimated time: 10 minutes)*

RECOMMENDATION:

1. Approve General Staffing Agreement between Solano County Water Agency and Solano Subbasin Groundwater Sustainability Agency.
2. Authorize staff to facilitate coordination among Groundwater Sustainability Agencies in the Solano Subbasin to develop a single Groundwater Sustainability Plan.

9. **RESOLUTION IN APPRECIATION OF THOMAS MICHAEL “MIKE” HARDESTY** *(Estimated time: 5 minutes)*

RECOMMENDATION: Adopt Resolution 2017-06 honoring Mike Hardesty upon his retirement from Reclamation District 2068.

10. **LEGISLATIVE UPDATES** *(estimated time: 10 minutes)*

RECOMMENDATION:

1. Hear report from Committee Chair on activities of the SCWA Legislative Committee.
2. Adopt Resolution 2017-07 in support of the “State Water Supply Infrastructure, Water Storage and Conveyance, Ecosystem and Watershed Protection and Restoration, and Drinking Water Protection Act of 2018” Initiative authored by Gerald H. Meral and authorize SCWA Legislative Committee Chair or General Manager to sign and submit letter of support for the aforementioned Initiative.

11. **WATER POLICY UPDATES** *(estimated time: 10 minutes)*

RECOMMENDATION:

1. Hear report from staff on current and emerging Delta and Water Policy issues and provide direction.
2. Hear status report from Committee Chair on activities of the SCWA Water Policy Committee **(No report, no committee meeting since June 8, 2017 Board meeting).**
3. Hear report from Supervisor Thomson on activities of the Delta Counties Coalition, Delta Protection Commission, Delta Conservancy, and Delta Stewardship Council.

4. Authorize Board chair to sign and submit letter urging State Supreme Court to hear Case # 243500 (San Diego County Water Authority v. Metropolitan Water District of Southern California. et al.,) regarding whether a water agency may charge its transportation- only customers costs associated with service those customers do not purchase

12. SOLANO WATER ADVISORY COMMISSION (estimated time: 5 minutes)

RECOMMENDATION:

1. Hear report from Commission Chair on activities of the Solano Water Advisory Commission.

13. CLOSED SESSION (estimated time: 15 minutes)

Conference with Legal Counsel – Existing Litigation (§ 54956.9)

Name of Case: Friends of Putah Creek v. Solano County Water Agency. Solano County Case No. FCS049217.

14. TIME AND PLACE OF NEXT MEETING

Thursday, September 14, 2017 at 6:30 p.m. at the SCWA offices.

The Full Board of Directors packet with background materials for each agenda item can be viewed on the Agency's website at www.scwa2.com.

Any materials related to items on this agenda distributed to the Board of Directors of Solano County Water Agency less than 72 hours before the public meeting are available for public inspection at the Agency's offices located at the following address: 810 Vaca Valley Parkway, Suite 203, Vacaville, CA 95688. Upon request, these materials may be made available in an alternative format to persons with disabilities.

**SOLANO COUNTY WATER AGENCY
BOARD OF DIRECTORS MEETING MINUTES**

MEETING DATE: June 8, 2017

The Solano County Water Agency Board of Directors met this evening at the Solano County Water Agency. Present were:

Supervisor Monica Brown, Solano County District 2
Supervisor John Vasquez, Solano County District 4
Mayor Thom Bogue, City of Dixon
Mayor Elizabeth Patterson, City of Benicia
Mayor Harry Price, City of Fairfield
Mayor Len Augustine, City of Vacaville
Mayor Pete Sanchez, City of Suisun City
Mayor Norman Richardson, City of Rio Vista
Director Ryan Mahoney, Maine Prairie Water District
Director John Kluge, Solano Irrigation District
Manager Mike Hardesty, Reclamation District Number 2068

CALL TO ORDER

The meeting was called to order at 6:30 P.M. by Chair Sanchez.

APPROVAL OF AGENDA

On a motion by Supervisor Vasquez and a second by Mayor Bogue the Board unanimously approved the agenda.

PUBLIC COMMENT

Three individuals spoke, Ladonna Williams, Ruscal Cayangyang, and Patt Dodson in opposition to the proposed Orcem cement plant in Vallejo.

CONSENT ITEMS

Supervisor Brown stated that for the record, she was voting "no" on item 5E and "yes" on the remaining Consent Items. Mayor Patterson recused herself from items 5A, 5E, and 5H. On a motion by Supervisor Vasquez and a second by Mayor Price the Board approved all of the Consent Items:

- (A) Minutes
- (B) Expenditure Approvals
- (C) Quarterly Financial Reports
- (D) Amendment to Agreement with Solano Resource Conservation District for Continuation of Suisun Marsh Watershed Education Program
- (E) Contract Amendment for Residential Baseline Water Use Assessment
- (F) Approval Letter Authorizing General Manager and Designees to make investments and disbursements on behalf of Water Agency to and from Account Number 5EQ-829793
- (G) Adoption of Resolution Authorizing General Manager to Execute Grant Agreement with State Coastal Conservancy for Lower Putah Creek Salmon Spawning Habitat Enhancement Project
- (H) Mitigation, Reporting, and Monitoring Plan for Final Program Environmental Impact Report for Lower Putah Creek Restoration Project-Upper Reach Program

BOARD MEMBER REPORTS

Director Hardesty announced that he is retiring as General Manager of Reclamation District 2068 and that this would be his last meeting as a representative of Reclamation District 2068, on the SCWA Board. Director Hardesty introduced Mr. Brian Busch, his successor at Reclamation District 2068. Mr. Busch will be replacing Director Hardesty as Reclamation District 2068's alternate representative on the SCWA Board.

GENERAL MANAGER'S REPORT

There were no additions to the General Managers written report.

**PRESENTATION ON ENVIRONMENTAL HAZARDS OF ABANDONED
LEAD-SHEATHED TELECOMMUNICATIONS CABLES**

Representatives of Green Planet, a recycling company, gave a presentation on the environmental hazards of abandoned lead-sheathed telecommunications cables and urged the SCWA Board to submit a letter to AT&T requesting that the telecommunications company remove its abandoned lead-sheathed telecommunications cables in Solano County.

Three individuals, Ladonna Williams, Ruscal Cayangyang, and Patt Dodson, spoke in favor of SCWA writing a support letter for Green Planet.

After extended discussion, Mayor Patterson recommended the Board Chair direct staff to gather additional information and prepare a letter to AT&T regarding abandoned lead-sheathed telecommunications cables, for Board review and consideration at a subsequent meeting. Chair Sanchez polled the Board members, asking whether they supported Mayor Patterson's recommendation. The majority of the Board members indicated they did not support Mayor Patterson's recommendation. Following the poll, Chair Sanchez announced that he would not act on Mayor Patterson's recommendation. No further Board action was taken on this agenda item.

LEGISLATIVE UPDATES

There were no updates from the Legislative Committee.

WATER POLICY UPDATES

There were no Water Policy updates.

Mayor Patterson requested staff add Delta Conservancy as a standing topic within the Water Policy Updates agenda item.

TIME AND PLACE OF NEXT MEETING

Thursday, August 10, 2017 at 6:30 p.m., at the SCWA offices in Vacaville

ADJOURNMENT

This meeting of the Solano County Water Agency Board of Directors was adjourned at 7:15 p.m.

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

CONSENT ITEMS

**ACTION OF
SOLANO COUNTY WATER AGENCY**

DATE: August 10, 2017
SUBJECT: Expenditures Approval

RECOMMENDATIONS:

Approve expenditures from the Water Agency checking accounts for the month of July, 2017.

FINANCIAL IMPACT:

All expenditures are within previously approved budget amounts.

BACKGROUND:

The Water Agency auditor has recommended that the Board of Directors approve all expenditures (in arrears). Attached is a summary of expenditures from the Water Agency's checking accounts for the month of July, 2017. Additional backup information is available upon request.

Recommended: 
Roland Sanford, General Manager

☐

Approved as
recommended

☐

Other
(see below)

☐

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next page

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on August 10, 2017 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

SOLANO COUNTY WATER AGENCY
Cash Disbursements Journal
For the Period From Jul 1, 2017 to Jul 31, 2017

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
7/5/17	30361	2020SC 1020SC	Invoice: 0494064 ACWA JOINT POWERS INSURANCE AUTHORITY	1,522.56	1,522.56
7/5/17	30362	2020SC 1020SC	Invoice: 2458236 AMERICAN TOWER CORPORATION	569.65	569.65
7/5/17	30363	2020SC 1020SC	Invoice: 17238 APEX INDUSTRY SERVICE INC.	1,803.67	1,803.67
7/5/17	30364	2020SC 1020SC	Invoice: A715648 BSK ASSOCIATES	60.00	60.00
7/5/17	30365	2020SC 1020SC	Invoice: 50829996 CHEVRON AND TEXACO	1,840.42	1,840.42
7/5/17	30366	2020SC 2020SC 2020SC 1020SC	Invoice: 17-024-O-JUL 2017 Invoice: 17-284-V-MAY 2017 Invoice: 17-026-T-JUL 2017 DEPARTMENT OF WATER RESOURCES	631.00 44,031.00 2,625,081.00	2,669,743.00
7/5/17	30367	2020SC 2020SC 1020SC	Invoice: 800019944051 Invoice: 800019944049 EAN SERVICES, LLC	916.68 1,372.96	2,289.64
7/5/17	30368	2020SC 1020SC	Invoice: IN-130902 GLOBAL DIVING & SALVAGE, INC.	7,201.00	7,201.00
7/5/17	30369	2020SC 1020SC	Invoice: 1X142001 HORIZON DISTRIBUTORS, INC.	78.09	78.09
7/5/17	30370	2020SC 2020SC 1020SC	Invoice: 141333 Invoice: 141321 MARTIN'S METAL FABRICATION &	254.43 91.48	345.91
7/5/17	30371	2020SC 1020SC	Invoice: SHERI MENDES SHERI MENDES	4,115.00	4,115.00
7/5/17	30372	2020SC 1020SC	Invoice: 160283 MSDSOONLINE, INC	499.00	499.00
7/5/17	30373	2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 007140 Invoice: 001975 Invoice: 003403 Invoice: 003402 SAM'S CLUB	172.39 64.69 96.84 224.27	558.19
7/5/17	30374	2020SC 2020SC 1020SC	Invoice: 55015277 Invoice: 55014778 SBS LEASING A PROGRAM DE LAGE	77.67 978.72	1,056.39
7/5/17	30375	2020U 2020U 2020U 2020U 1020SC	Invoice: 06042 Invoice: 06040 Invoice: 06041 Invoice: 06039 SOLANO COUNTY PUBLIC WORKS DIVISION	2,811.72 23,907.06 27,772.36 1,770.26	56,261.40
7/5/17	30376	2020SC 1020SC	Invoice: FY 2017/2018 DUES STATE WATER CONTRACTORS	70,396.00	70,396.00
7/5/17	30377	2020SC 2020SC 1020SC	Invoice: 82661 Invoice: 84028 STERLING MAY CO.	295.77 15.42	311.19
7/5/17	30378	2020SC 1020SC	Invoice: GILBERTO ACEVEDO GILBERTO ACEVEDO	1,000.00	1,000.00
7/5/17	30379	2020SC 1020SC	Invoice: KATHY MARCHESSEAU1 KATHRYN MARCHESSEAU1	1,000.00	1,000.00

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7/11/17	30380	2020SC 1020SC	Invoice: PROP 84 RD 2 Q9 ALAMEDA COUNTY WATER DISTRICT	5,011.65	5,011.65
7/11/17	30381	2020SC 1020SC	Invoice: 1880315 THE REINAL T-THOMAS CORP	619.90	619.90
7/11/17	30382	2020SC 1020SC	Invoice: 5356 CLEAN LAKES, INC.	14,960.68	14,960.68
7/11/17	30383	2020N 1020SC	Invoice: JULY 2017 CLEAN TECH ADVOCATES	8,600.00	8,600.00
7/11/17	30384	2020SC 1020SC	Invoice: PROP 84 RD 2 Q9 CONTRA COSTA WATER DISTRICT	2,195.55	2,195.55
7/11/17	30385	2020SC 1020SC	Invoice: T24478 DEPARTMENT OF GENERAL SERVICES	965.00	965.00
7/11/17	30385V	2020SC 1020SC	Invoice: T24478 DEPARTMENT OF GENERAL SERVICES	965.00	965.00
7/11/17	30386	2020SC 1020SC	Invoice: 4544707 EVERBANK COMMERCIAL FINANCE	1,096.25	1,096.25
7/11/17	30387	2020SC 1020SC	Invoice: 4195 EYASCO, INC.	9,448.37	9,448.37
7/11/17	30388	2020SC 2020SC 1020SC	Invoice: 83488 Invoice: 84038 GHD, INC.	4,352.00 6,041.00	10,393.00
7/11/17	30389	2020SC 1020SC	Invoice: 06024418 GLOBAL MACHINERY INTL.	290.16	290.16
7/11/17	30390	2020SC 2020SC 1020SC	Invoice: 8077 Invoice: 8076 GREENWATER LABORATORIES	325.00 475.00	800.00
7/11/17	30390V	2020SC 2020SC 1020SC	Invoice: 8077 Invoice: 8076 GREENWATER LABORATORIES	325.00 475.00	800.00
7/11/17	30391	2020SC 1020SC	Invoice: SUPPLIES IRRIGATION KING	1,195.60	1,195.60
7/11/17	30392	2020N 1020SC	Invoice: 0717-2 JEFFREY J JANIK	600.00	600.00
7/11/17	30393	2020SC 1020SC	Invoice: 504505 M&M SANITARY LLC	144.00	144.00
7/11/17	30394	2020SC 1020SC	Invoice: PROP 84 RD 2 Q9 SAN FRANCISCO PUBLIC UTILITIES COMM.	210,870.00	210,870.00
7/11/17	30395	2020SC 2020SC 1020SC	Invoice: 1115 Invoice: 2016-2 SOLANO RESOURCE CONSERVATION DISTRICT	3,662.67 6,182.24	9,844.91
7/11/17	30396	2020SC 1020SC	Invoice: TRAINING SOLANO COUNTY	222.00	222.00
7/11/17	30397	2020SC 1020SC	Invoice: PROP 84 RD 2 Q9 SONOMA COUNTY WATER AGENCY	7,435.62	7,435.62
7/11/17	30398	2020SC 1020SC	Invoice: 50448 SUISUN VALLEY FRUIT GROWERS AS	342.23	342.23

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7/11/17	30398V	2020SC 1020SC	Invoice: 50448 SUISUN VALLEY FRUIT GROWERS AS	342.23	342.23
7/11/17	30399	2020SC 1020SC	Invoice: 19099 SUMMERS ENGINEERING, INC.	2,635.58	2,635.58
7/11/17	30400	2020SC 2020SC 2020SC 1020SC	Invoice: 12109012 Invoice: 12109013 Invoice: 12109137 THE TREMONT GROUP, INC.	104.13 280.68 212.41	597.22
7/11/17	30401	2020SC 1020SC	Invoice: JESSICA GARRETT JESSICA GARRETT	50.00	50.00
7/11/17	30402	2020SC 1020SC	Invoice: CRISTINA SARA VIA CRISTINA SARA VIA	75.00	75.00
7/11/17	30403	2020SC 1020SC	Invoice: 2017 CONTRIBUTION WATER EDUCATION FOUNDATION	500.00	500.00
7/11/17	30404	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: LPCCC-FY2016-17_9 Invoice: SCWA-FY2016-17_10 Invoice: LPCCC-FY2016-17_11 Invoice: SCWA-FY2016-17_11 Invoice: LPCCC-FY2016-17_10 Invoice: SCWA-FY2016-17_9 WILDLIFE SURVEY & PHOTO SERVICES	1,067.40 15,548.50 2,025.36 20,281.50 1,246.86 17,847.50	58,017.12
7/11/17	30405	2020SC 1020SC	Invoice: 316 WILSON PUBLIC AFFAIRS	10,008.43	10,008.43
7/11/17	30406	2020SC 1020SC	Invoice: PROP 84 RD 2 Q9 ZONE 7 WATER AGENCY	3,888.51	3,888.51
7/11/17	30407	2020SC 1020SC	Invoice: T24478 DEPARTMENT OF GENERAL SERVICES	785.00	785.00
7/11/17	30408	2020SC 2020SC 2020SC 1020SC	Invoice: 8075 Invoice: 8077 Invoice: 8076 GREENWATER LABORATORIES	475.00 325.00 475.00	1,275.00
7/11/17	30409	2020SC 1020SC	Invoice: 33012 LUHDORFF & SCALMANINI	19,613.75	19,613.75
7/11/17	30410	2020SC 1020SC	Invoice: PROP 84 RD 2 Q9 ALAMEDA COUNTY WASTE MANAGEMENT AUTHORI	25,764.15	25,764.15
7/11/17	30411	2020SC 1020SC	Invoice: 1-2017-07 STREAMWISE	12,718.91	12,718.91
7/11/17	30412	2020SC 1020SC	Invoice: 086010 ANDY GIANNINI BOBCAT SERVICE	2,625.00	2,625.00
7/17/17	30413	2020SC 2020SC 2020SC 1020SC	Invoice: ba5062 Invoice: BA5064 Invoice: BA5061 BLANKINSHIP & ASSOCIATES, INC.	1,200.00 1,683.33 1,866.67	4,750.00
7/17/17	30414	2020SC 2020SC 1020SC	Invoice: A716281 Invoice: A716482 BSK ASSOCIATES	60.00 360.00	420.00
7/17/17	30415	2020SC 1020SC	Invoice: 130211 BYRO TECHNOLOGIES	24,000.00	24,000.00
7/17/17	30416	2020SC 1020SC	Invoice: 06024467 GLOBAL MACHINERY INTL.	406.18	406.18

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7/17/17	30417	2020SC	Invoice: 2010530	63.52	
		2020SC	Invoice: 2010531	44.66	
		2020SC	Invoice: 6580449	87.61	
		2020SC	Invoice: 5011698	63.08	
		2020SC	Invoice: 5011699	53.75	
		2020SC	Invoice: 4021756	81.70	
		2020SC	Invoice: 4021757	11.99	
		2020SC	Invoice: 9012581	417.11	
		2020SC	Invoice: 8012734	10.73	
		2020SC	Invoice: 8012735	102.93	
		2020SC	Invoice: 6013008	79.55	
		2020SC	Invoice: 2013685	20.41	
		2020SC	Invoice: 2013684	132.91	
		2020SC	Invoice: 2013686	5.35	
		1020SC	HOME DEPOT CREDIT SERVICE		1,175.30
7/17/17	30418	2020SC	Invoice: CL58879	776.59	
		2020SC	Invoice: CL61427	949.27	
		1020SC	INTERSTATE OIL COMPANY		1,725.86
7/17/17	30419	2020SC	Invoice: 1551	150.00	
		1020SC	J.T. MARTIN		150.00
7/17/17	30420	2020SC	Invoice: 24.02-6	38,388.27	
		1020SC	MCCORD ENVIRONMENTAL, INC.		38,388.27
7/17/17	30421	2020SC	Invoice: 757764	105.60	
		2020SC	Invoice: 756082	22.34	
		2020SC	Invoice: 758558	72.67	
		1020SC	PISANIS AUTO PARTS		200.61
7/17/17	30422	2020SC	Invoice: 41444050	239.18	
		1020SC	RECOLOGY VACAVILLE SOLANO		239.18
7/17/17	30423	2020SC	Invoice: 1346383	922.80	
		2020SC	Invoice: 1346382	1,304.59	
		1020SC	RIO VISTA SANITATION SERVICE		2,227.39
7/17/17	30424	2020U	Invoice: 06047	12,079.81	
		2020U	Invoice: 06044	4,661.24	
		2020U	Invoice: 06045	29,611.44	
		2020U	Invoice: 06046	7,718.30	
		2020U	Invoice: 06043	10,727.82	
		2020U	Invoice: 06049	21,106.06	
		2020U	Invoice: 06050	3,433.37	
		2020U	Invoice: 06051	5,408.69	
		1020SC	SOLANO COUNTY PUBLIC WORKS DIVISION		94,746.73
7/17/17	30425	2020SC	Invoice: 1111	10,389.97	
		2020SC	Invoice: 3-1	54,064.98	
		2020SC	Invoice: 1112	1,540.73	
		1020SC	SOLANO RESOURCE CONSERVATION DISTRICT		65,995.68
7/17/17	30426	2020SC	Invoice: PROP84 RD2 SOL_MWL	3,100.29	
		1020SC	SONOMA RESOURCE CONSERVATION DISTRICT		3,100.29
7/17/17	30427	2020SC	Invoice: 34835	23,180.00	
		1020SC	SOUTHWEST ENVIRONMENTAL		23,180.00
7/17/17	30428	2020SC	Invoice: LPCCC GAD-2017-01	10,000.00	
		2020SC	Invoice: LPCCC GAD-2017-03	10,000.00	
		2020SC	Invoice: LPCCC GAD-2017-02	10,000.00	
		2020SC	Invoice: LPCCC GAD-2017-04	10,000.00	
		2020SC	Invoice: LPCCC GAD-2017-05	10,000.00	
		1020SC	STREAMWISE		50,000.00
7/17/17	30429	2020SC	Invoice: 300261085	114.19	
		2020SC	Invoice: 200365690	29.79	

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		1020SC	TRACTOR SUPPLY CREDIT PLAN		143.98
7/17/17	30430	2020SC 1020SC	Invoice: 1946 TREMAINE & ASSOCIATES, INC.	6,106.95	6,106.95
7/17/17	30431	2020SC 1020SC	Invoice: LEO ESCARCEGA LEO ESCARCEGA	1,000.00	1,000.00
7/17/17	30432	2020SC 1020SC	Invoice: JAMES PALISOC JAMES PALISOC	1,000.00	1,000.00
7/24/17	30433	2020SC 1020SC	Invoice: 1293956 ARAMARK REFRESHMENT SERVICES	19.59	19.59
7/24/17	30434	2020SC 1020SC	Invoice: JUL 2017 BOD MTG THOMAS BOGUE	100.00	100.00
7/24/17	30435	2020SC 2020SC 1020SC	Invoice: A717249 Invoice: A717699 BSK ASSOCIATES	60.00 60.00	120.00
7/24/17	30436	2020SC 2020SC 1020SC	Invoice: 000009953808 Invoice: 000009953853 CALNET3	222.77 164.24	387.01
7/24/17	30437	2020SC 1020SC	Invoice: 4054221 CH2M HILL	2,033.00	2,033.00
7/24/17	30438	2020SC 2020SC 2020SC 1020SC	Invoice: 17-024-O AUG 2017 Invoice: 17-310-V JUN 2017 Invoice: 17-026-T AUG 2017 DEPARTMENT OF WATER RESOURCES	632.00 42,681.00 560,903.00	604,216.00
7/24/17	30439	2020N 1020SC	Invoice: US0131831567 ERNST & YOUNG U.S. LLP	4,271.00	4,271.00
7/24/17	30440	2020SC 1020SC	Invoice: JUL 2017 BOD MTG MIKE HARDESTY	100.00	100.00
7/24/17	30441	2020SC 2020SC 2020SC 1020SC	Invoice: 85258 Invoice: 85259 Invoice: 85257 HERUM \ CRABTREE \ SUNTAG	165.75 1,160.25 994.50	2,320.50
7/24/17	30442	2020SC 1020SC	Invoice: 2017-36 IN COMMUNICATIONS	6,881.17	6,881.17
7/24/17	30443	2020SC 1020SC	Invoice: FCAC JUL 2017 CHARLES KARNOPP	25.00	25.00
7/24/17	30444	2020SC 2020SC 1020SC	Invoice: JUL 2017 EXEC MTG Invoice: JUL 2017 BOD MTG JOHN D. KLUGE	100.00 100.00	200.00
7/24/17	30445	2020SC 1020SC	Invoice: FCAC JUL 2017 RONALD KOEHNE	37.04	37.04
7/24/17	30446	2020SC 2020SC 1020SC	Invoice: JUL 2017 BOD MTG Invoice: JUL 2017 EXEC MTG RYAN MAHONEY	100.00 100.00	200.00
7/24/17	30447	2020SC 1020SC	Invoice: 11186 MANN, URRUTIA, NELSON, CPAS	6,500.00	6,500.00
7/24/17	30448	2020SC 1020SC	Invoice: EXEMPT FEE NAPA COUNTY CLERK OF THE BOARD	50.00	50.00
7/24/17	30449	2020SC 1020SC	Invoice: JUL 2017 BOD MTG ELIZABETH PATTERSON	132.64	132.64

SOLANO COUNTY WATER AGENCY
Cash Disbursements Journal
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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
7/24/17	30450	2020SC 1020SC	Invoice: FCAC JUL 2017 LAURA PETERS	25.00	25.00
7/24/17	30451	2020SC 1020SC	Invoice: 7213 REGIONAL GOVERNMENT SERVICES	1,400.00	1,400.00
7/24/17	30452	2020SC 1020SC	Invoice: FCAC JUL 2017 TERRY RIDDLE	39.66	39.66
7/24/17	30453	2020SC 1020SC	Invoice: JUN 2017 BOD MTG BOB SAMPAYAN	129.43	129.43
7/24/17	30454	2020SC 1020SC	Invoice: 55364027 SBS LEASING A PROGRAM DE LAGE	156.90	156.90
7/24/17	30455	2020SC 2020SC 2020SC 1020SC	Invoice: 0005621 Invoice: 0005619 Invoice: 0005620 SOLANO IRRIGATION DISTRICT	577.70 57,400.69 7,445.78	65,424.17
7/24/17	30456	2020SC 1020SC	Invoice: 1119 SOLANO RESOURCE CONSERVATION DISTRICT	4,538.01	4,538.01
7/24/17	30457	2020SC 1020SC	Invoice: EXEMPT FEE SOLANO COUNTY CLERK OF THE BOARD	50.00	50.00
7/24/17	30458	2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 50448 Invoice: 50525 Invoice: 50449 Invoice: 50556 Invoice: 50593 SUISUN VALLEY FRUIT GROWERS AS	342.23 41.14 32.80 20.83 72.03	509.03
7/24/17	30459	2020SC 1020SC	Invoice: 3046000 THE TREMONT GROUP, INC.	494.00	494.00
7/24/17	30460	2020SC 1020SC	Invoice: KATHRYN KAY KATHRYN KAY	1,000.00	1,000.00
7/24/17	30461	2020SC 1020SC	Invoice: JUL 2017 BOD MTG JOHN VASQUEZ	100.00	100.00
7/24/17	30462	2020SC 1020SC	Invoice: 2017-19 IN COMMUNICATIONS	3,442.50	3,442.50
7/25/17	30463	2020SC 1020SC	Invoice: 2017 MEMBERSHIP CSDA MEMBER SERVICES	5,188.00	5,188.00
7/27/17	30464	2020SC 1020SC	Invoice: 3322 CA CENTRAL VALLEY FLOOD CONTROL ASSOCIA	3,500.00	3,500.00
7/27/17	30465	2020U 1020SC	Invoice: 33906913 CROP PRODUCTION SERVICES, INC.	16,646.14	16,646.14
7/27/17	30466	2020SC 1020SC	Invoice: 5-872-67645 FEDEX EXPRESS	1,173.97	1,173.97
7/27/17	30467	2020SC 1020SC	Invoice: 72843 INTEGRATED ENVIRONMENTAL RESTORATION	2,388.50	2,388.50
7/27/17	30468	2020SC 1020SC	Invoice: 0107052 JUST THE FINEST PEST MNGT	60.00	60.00
7/27/17	30469	2020SC 2020SC 1020SC	Invoice: 2 Invoice: 3 LAKE COUNTY RESOURCE CONSERVATION DISTR	1,230.15 4,846.87	6,077.02

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
			CONSERVATION DISTR		
7/27/17	30470	2020SC 1020SC	Invoice: 6/12/17-7/11/17 PACIFIC GAS & ELECTRIC CO,	1,308.60	1,308.60
7/27/17	30471	2020SC 1020SC	Invoice: 006492990046AUG2017 STANDARD INSURANCE COMPANY	1,490.77	1,490.77
7/27/17	30472	2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 1842961281 Invoice: 1843308491 Invoice: 1840085431 Invoice: 1851305691 STAPLES	20.22 37.65 95.17 278.87	431.91
7/27/17	30473	2020SC 1020SC	Invoice: JUN 2017 SUSTAINABLE SOLANO	8,605.94	8,605.94
7/27/17	30474	2020SC 1020SC	Invoice: 2017-02 THE REGENTS OF THE UNIVERSITY OF CA	11,261.00	11,261.00
7/27/17	30475	2020SC 1020SC	Invoice: 9788260833 VERIZON WIRELESS	2,552.74	2,552.74
7/27/17	30476	2020SC 1020SC	Invoice: 349 WINTERS TOW SERVICE	200.00	200.00
7/31/17	30477	2020SC 2020SC 1020SC	Invoice: 17188 Invoice: 17176 CENTRAL VALLEY EQUIPMENT REPAIR	535.50 1,821.64	2,357.14
7/31/17	30477V	2020SC 2020SC 1020SC	Invoice: 17188 Invoice: 17176 CENTRAL VALLEY EQUIPMENT REPAIR	2,357.14	535.50 1,821.64
7/31/17	30478	2020SC 1020SC	Invoice: 145347 DEPT OF FORESTRY & FIRE PROTECTION	1,143.10	1,143.10
7/31/17	30479	2020N 2020N 1020SC	Invoice: 06024614 Invoice: 06024613 GLOBAL MACHINERY INTL.	660.33 812.11	1,472.44
7/31/17	30480	2020SC 1020SC	Invoice: 0130492-IN PREFERRED ALLIANCE, INC	571.96	571.96
7/31/17	30481	2020SC 1020SC	Invoice: 14292 RICHARD HEATH & ASSOCIATES, INC.	20,447.35	20,447.35
7/31/17	30482	2020SC 2020SC 1020SC	Invoice: 55441561 Invoice: 55442567 SBS LEASING A PROGRAM DE LAGE	978.72 77.67	1,056.39
7/31/17	30483	2020SC 1020SC	Invoice: 646842 SYAR INDUSTRIES, INC	2,160.05	2,160.05
7/31/17	30484	2020SC 1020SC	Invoice: BAWMRP #004 THINKING GREEN CONSULTANTS	8,424.00	8,424.00
7/31/17	30485	2020SC 1020SC	Invoice: HELAINE BOWLES HELAINE BOWLES	798.00	798.00
7/31/17	30486	2020SC 1020SC	Invoice: H. VICTOR GONZALES H. VICTOR GONZALES	294.00	294.00
7/31/17	30487	2020SC 1020SC	Invoice: 9790003614 VERIZON WIRELESS	2,497.85	2,497.85
7/31/17	30488	2020SC 2020SC	Invoice: 34946 Invoice: 35154	200.00 200.00	

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
		1020SC	VISION TECHNOLOGY SOLUTIONS, LLC DBC		400.00
7/31/17	30489	2020SC 1020SC	Invoice: 11143812 WILBUR-ELLIS COMPANY	149.40	149.40
7/31/17	30490	2020SC 2020SC 1020SC	Invoice: LPCCC-FY2016-17_12 Invoice: SCWA-FY2016-17_12 WILDLIFE SURVEY & PHOTO SERVICES	2,250.48 13,939.00	16,189.48
7/31/17	30491	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 958387 Invoice: 958416 Invoice: 229996 Invoice: 230251 Invoice: 230303 Invoice: 230405 Invoice: 230541 Invoice: 231104 Invoice: 231154 Invoice: 231155 Invoice: 230438 Invoice: 231153 PACIFIC ACE HARDWARE	113.71 74.49 8.00 145.21 58.97 58.97 17.69 2.46 34.41 50.25 50.35 29.98	644.49
7/31/17	30492	2020SC 2020SC 1020SC	Invoice: 17188 Invoice: 17176 CENTRAL VALLEY EQUIPMENT REPAIR	535.49 1,821.64	2,357.13
7/3/17	EFT	2020SC 1020SC	Invoice: HEALTH JUL 2017 CALPERS	15,664.98	15,664.98
7/7/17	EFT	2020SC 1020SC	Invoice: SIP PPE 07.01.17 CALPERS	4,207.62	4,207.62
7/7/17	EFT	2020SC 1020SC	Invoice: PPE 07.1.17 CALPERS	8,069.19	8,069.19
7/7/17	EFT	2020SC 1020SC	Invoice: PEPRA PPE 07.01.17 CALPERS	1,311.36	1,311.36
7/7/17	EFT	2020SC 1020SC	Invoice: 2017070501 PAYCHEX, INC.	241.95	241.95
7/1/17	EFT	2024AC 6012AC 1020SC	EMPLOYEE LIABILITIES PPE 07.01.17 EMPLOYER LIABILITIES PPE 07.01.17 PAYROLL TAXES	15,987.29 3,878.27	19,865.56
7/11/17	EFT	2020SC 1020SC	Invoice: 100000014995632 CALPERS	4.00	4.00
7/11/17	EFT	2020SC 1020SC	Invoice: 100000014995625 CALPERS	61,479.00	61,479.00
7/5/17	EFT	6040AC 6111AC 1020SC	HANDBOOK FEE JULY FSA PARTICIPANT FEE JULY PAYCHEX, INC.	69.96 113.50	183.46
7/15/17	EFT	2024AC 6012AC 1020SC	EMPLOYEE LIABILITIES PPE 07.15.17 EMPLOYER LIABILITIES PPE 07.15.17 PAYROLL TAXES	16,545.84 3,900.13	20,445.97
7/21/17	EFT	2020SC 1020SC	Invoice: PEPRA PPE 07.15.17 CALPERS	1,344.03	1,344.03
7/21/17	EFT	2020SC 1020SC	Invoice: PPE 07.15.17 CALPERS	8,264.91	8,264.91
7/21/17	EFT	2020SC 1020SC	Invoice: SIP PPE 07.15.17 CALPERS	4,310.35	4,310.35

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
7/21/17	EFT	2020SC 1020SC	Invoice: 2017071801 PAYCHEX, INC.	247.15	247.15
Total				<u>4,540,049.04</u>	<u>4,540,049.04</u>

**ACTION OF
SOLANO COUNTY WATER AGENCY**

DATE: August 10, 2017

SUBJECT: Authorize purchase of Dodge Ram 5500 Truck for field operations

RECOMMENDATIONS:

Authorize General Manager to purchase a Dodge Ram 5500 Truck

FINANCIAL IMPACT:

\$78,000 Scheduled Capital Expenditure within the approved 17/18 Budget (5500 SC)

BACKGROUND:

It is the Water Agency's policy to replace vehicles that are either over 10 years old or have had over 100,000 miles of use. Staff is proposing to replace an aging Ford F-250 with a Dodge Ram 5500. Both are considered heavy duty vehicles. However, the Dodge Ram 5500 is arguably "stouter" than the Ford 250. Based on past experience, staff believes the Dodge Ram 5500 is best suited to the type of field work typically performed by field personnel. The proposed Dodge Ram 5500 is equipped with a tank for off-road diesel fuel, a utility bed for tools, and has the capacity to tow the Water Agency's equipment trailer. Other features include a crew cab for transporting interns and other workers; a ladder rack for hauling canoes, pipe and supplies; a front bumper winch for self-rescue; and a trailer brake controller for safety. The proposed Dodge Ram 5500 would be purchased through the State Contracting program, from either a dealer in Davis, or preferably, a dealer in Solano County.

Recommended: _____

Roland Sanford, General Manager

☐

Approved as
recommended

☐

Other
(see below)

☐

Continued on
next page

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on August 10, 2017 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

**ACTION OF
SOLANO COUNTY WATER AGENCY**


DATE: August 10, 2017

SUBJECT: Action to Reject Claim of John and Dorothy Ann Parkinson

RECOMMENDATION: Authorize General Manager to sign Notice of Rejection of John and Dorothy Ann Parkinson flood damage claim.

FINANCIAL IMPACT: None

BACKGROUND: On July 12, 2017 the Water Agency received the attached claim by John and Dorothy Ann Parkinson, in which they state that between January 17th and January 20th of 2017 their property at [REDACTED] in Fairfield, California was damaged by water overtopping the bank of Suisun Creek. The claimants believe the Solano County Water Agency is responsible for maintaining Suisun Creek and that insufficient maintenance of Suisun Creek caused it to overtop its bank. The Water Agency has no responsibility associated with the operation or maintenance of Suisun Creek. The Water Agency's insurance claim advisor recommends the Board reject the aforementioned claim of John and Dorothy Ann Parkinson.

Recommended: 
Roland Sanford, General Manager

☐

Approved as
recommended

☐

Other
(see below)

☐

Continued
on next page

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on August 10, 2017 by the following vote.

Ayes:

Noes:

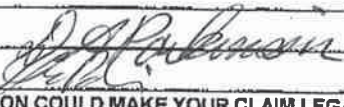
Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

Claim Form

(A claim shall be presented by the claimant or by a person acting on his behalf.)

NAME OF DISTRICT: SOLANO COUNTY WATER AGENCY	
1	<p>Claimant name, address (mailing address if different), phone number, social security number, e-mail address, and date of birth. <i>Effective January 1, 2010, the Medicare Secondary Payer Act (Federal Law) requires the District/Agency to report all claims involving payments for bodily injury and/or medical treatments to Medicare. As such, if you are seeking medical damages, we MUST have both your Social Security Number and your date of birth.</i></p> <p>Name: John and Ann Parkinson Phone Number: <input type="text"/></p> <p>Address(es): <input type="text"/> Social Security No: <input type="text"/></p> <p><input type="text"/> Date of Birth: <input type="text"/></p> <p>E-mail: <input type="text"/></p>
2	<p>List name, address, and phone number of any witnesses.</p> <p>Name: See Exhibit B attached hereto</p> <p>Address: <input type="text"/></p> <p>Phone Number: () <input type="text"/></p>
3	<p>List the date, time, place, and other circumstances of the occurrence or transaction, which gave rise to the claim asserted.</p> <p>Date: 1/17/2017 Time: <input type="text"/> Place: <input type="text"/></p> <p>Tell What Happened (give complete information):</p> <p>See Exhibit A attached hereto</p> <p><i>NOTE: Attach any photographs you may have regarding this claim.</i></p>
4	<p>Give a general description of the indebtedness, obligation, injury, damage, or loss incurred so far as it may be known at the time of presentation of the claim.</p> <p>Property loss, personal and emotional injuries, general and special damages more than \$10,000, unlimited civil.</p>
5	<p>Give the name or names of the public employee or employees causing the injury, damage, or loss, if known.</p> <p>Not known</p>
6	<p>The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.</p> <p>More than \$10,000, unlimited civil</p>
<p>Date: 7-10-17 Time: <input type="text"/> Signature: </p> <p>ANSWER ALL QUESTIONS. OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT!</p>	

White -JPIA Office Copy / Yellow-District Office Copy / Pink-Claimant Copy

Revised - October 2018

EXHIBIT A

John and Dorothy Ann Parkinson

Date of Injury: January 17, 2017

Description of Incident

This incident relates to the flooding that occurred in Napa and Solano County on approximately January 17th to 20th of 2017. John and Dorothy Ann Parkinson ("Claimants") are homeowners whose home and property abutted the Suisun Creek and was damaged by the flooding. The Suisun Creek flooded and water from the stream overflowed onto the property above a long-standing hand built stone wall that separated the Suisun Creek from the Claimants' property. The trespassing stream of water caused the wall to buckle and give way and with it went a substantial portion of the Claimants' property. This did damage and interfere with Claimants' use and enjoyment of their property. As well, Claimants experienced personal and emotional injuries due to these events, including pain and suffering and serious emotional distress. This flood was caused by the condition of various waterway(s), including but not limited to, the overtopping of Lake Curry, debris in Suisun Creek, and water back flow in the Suisun Bay.

Claimants are informed and believe that the Solano County Water Agency maintains the waterway(s) and that, had the waterway(s) been properly maintained, no flooding would have occurred on Claimants' property. There was no warning to Claimants that the waterway(s) was not properly maintained and presented a danger. Further, Claimants are informed and believe that the Solano County Water Agency negligently owned, operated, designed, built, and maintained the waterway(s) that caused damage to Claimants' property. These actions created a dangerous condition of public property of which the Solano County Water Agency had actual or constructive knowledge.

Additionally, the Solano County Water Agency negligently entrusted, hired, trained, and supervised its employees and independent contractors and negligently entrusted the maintenance, construction, and repair work on the waterway(s) to its employees and independent contractors, which created a peculiar risk of harm. The Solano County Water Agency is, therefore, vicariously liable for the acts of its employees and independent contractors pursuant to Government Code §815.4.

Based on the foregoing, the Solano County Water Agency is liable for the Claimants' injuries.

EXHIBIT B

**John and Dorothy Ann Parkinson
Date of Injury: January 17, 2017**

Witness Information

John and Dorothy Ann Parkinson
Claimants

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SOLANO COUNTY WATER AGENCY



August 8, 2017

John and Dorothy Ann Parkinson



Subject: Notice of Rejection of Claim

Dear Mr. and Mrs. Parkinson:

Notice is hereby given that the claim you filed with the Solano County Water Agency on July 12, 2017 was rejected by the Board of Directors of the Solano County Water Agency on August 10, 2017.

WARNING

Subject to certain exceptions, you have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a State Court Action on this claim. See California Government Code §945.6. Your time for filing an action in federal court may be less than this six months.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

In providing this notice, or by any other action it has taken on this claim, Solano County Water Agency does not intend to relinquish or waive any of its legal claims requirements or any rights or defenses potentially available to Solano County Water Agency or its officers, directors, employees or agents.

Should you file a lawsuit in this matter which is determined to be in bad faith and without reasonable cause, please be advised that Solano County Water Agency will attempt to recover all of its defense costs from you as allowed by California Code of Civil Procedure § 128.5, § 128.7 and §1038.

By _____
Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

810 Vaca Valley Parkway, Suite 203
Vacaville, CA 95688
(707) 451-6090
Fax (707) 451-6099

SOLANO COUNTY WATER AGENCY



MEMORANDUM

TO: Board of Directors

FROM: Roland Sanford, General Manager

DATE: August 4, 2017

SUBJECT: August General Manager's Report

It has been an extremely busy summer for staff and it looks to remain so for the foreseeable future. There is plenty going on locally and regionally and now that the summer vacation season is winding down I recommend the Board consider scheduling not only a flood management workshop, but also at least one workshop dedicated to the Bay-Delta and more specifically, the Cache Slough Complex. For better or worse, a number of issues of importance to the Water Agency and Solano County in general – update of the Bay-Delta Plan, habitat restoration, North Bay Aqueduct, and flood management – converge in the Cache Slough Complex.

In the 1990's and early 2000's the Water Agency's emphasis was directed toward the Solano Project and all matters around the Solano Project water supply. The Solano Project is the "backbone" of this County's water supply and will always be of paramount importance. However, as I've stated before, I suspect that over the next ten years significant Water Agency resources and attention will need to be directed toward the Cache Slough Complex.



**REPORT OF CONSTRUCTION CHANGE ORDERS AND
CONTRACTS APPROVED BY GENERAL MANAGER UNDER
DELEGATED AUTHORITY**

Construction Contract Change Orders (15% of original project costs or \$50,000, whichever is less) - none

Construction Contracts (\$30,000 and less) - none

Professional Service Agreements (\$30,000 and less)

IN Communications – High School Video Contest - \$30,000

Laugenor and Meikle – Green Valley/Dan Wilson Surveying - \$17,000

Palencia Consulting Engineers – 2017 Solano Project Watershed Sanitary Survey - \$25,000

Summit Crane – PSC Headworks - \$10,000

The Ecology Center – Laundry to Landscape - \$10,000

Western Hydrologic – PSC Headworks - \$29,148

Western Weather – Calibrations - \$6,570

Non-Professional Service Agreements (\$30,000 and less) - none

Construction contracts resulting from informal bids authorized by SCWA Ordinance- none

Note: Cumulative change orders or amendments resulting in exceeding the dollar limit need Board approval.

8 Bilgee & the Interns Are Back

The Lake Berryessa Watershed Partnership (LBWP) exists to protect water quality, mitigate the risk of invasive quagga and zebra mussel species, and educate all lake users about water quality.

The partnership has been reaching out to boaters and visitors for many years, mostly in the form of summer interns who conduct person-to-person watershed education and distribute educational materials to boaters and visitors.

This year the number of interns has increased to 16. They are working weekends and weekdays to protect Lake Berryessa. So far this season they have screened 4,513 boats for invasive species, done 289 interviews, educated 616 people about lake issues, and installed 87 bilgee pads.

An example of their hard work is shown in this report from Markley Cove: Markley Cove saw a busy and hot weekend, reaching temperatures of 102°F, 105°F, and 107°F! It was probably the hottest weekend this season. The parking lot was completely full.

Three boaters came in wearing our Lake Berryessa T-shirts that they had received last year. They openly voiced their support for our goals.

Who are these intrepid interns? Usually students from local colleges who are majoring in the environmental sciences. Their work here at the lake reflects their scientific and outdoor interests.

My name is Alessandro Schiavone. I am a Freshman at Dominican University of California majoring in Business with a concentration in management and marketing with a minor in leadership. In my spare time I like to play and watch sports with my friends and family. My favorite past time is going to the beach.

My name is Angie Flores and I am currently a second year Biological Sciences major at UC Davis. I really enjoy exploring new hiking trails, running 5Ks, practicing karate, and venturing out to new cities. Growing up in the Sierra Nevada and occasionally visiting the Amazon rainforest has developed my deep

appreciation for the environment and its abundance of natural resources.

My name is Christopher Zaleski. I just graduated from UC Davis with a degree in Environmental Science and Management with an emphasis in watershed science. I like to go bike riding, watch sports, and play games. I believe that water is the most precious and scarce resource we have and

want to make a career out of working with something that I am very passionate about.

My name is Edward Blong Her and I'm currently a Senior at CSU: Sacramento majoring in Environmental Studies. In my free time I enjoy fishing in the Delta, Sacramento River, and Lake Berryessa. I also enjoy going on beautiful hikes and bike rides.

My name is Jo Black and I am a Geology student at the University of California - Davis. My love of the outdoors is what prompted me to study Geology and to join this program. On my free weekends you can generally find me hiking, preferably in the High Sierras

I'm Kirun Chohan, but I go by Kasey. I'm majoring in Biochemistry and Molecular Biology! I enjoy hiking and watching English football in my spare time. I look forward to learning more about Lake Berryessa and how to protect it.

Hi, I'm Sarah Day. I am a second-year environmental science student at Los Medanos Community College. In my free time, I like to hike and knit, and I am also a flutist with my college's symphonic band

and Baroque ensemble.

My name is Lydia Kenison and I am a senior at California State University Sacramento in Environmental Studies. Nature brings me peace and my personal and professional goal is to conserve our natural resources so that future generations will be able to experience that same feeling.

My name is Mary Capcap majoring in Earth Science with an emphasis on Climate and Environment. In my free time, I enjoy traveling, hiking, playing volleyball, relaxing with a good book or a good movie, experimenting with different art mediums, and spending time with my family.

My name is Olivia Hart and I am a fourth year geology student at UC Davis. I grew up in Santa Barbara and have always enjoyed spending my time outside enjoying the beach and the mountains. I love playing sports and I have played with the UC Davis Women's Ultimate club team for the past four years.

My name is Kyrie Aragon and I am a fourth year senior at UC Davis studying Environmental Science and Management with an emphasis in natural resource management. My hobbies include reading, drawing, and running or hiking. I also enjoy horseback riding and compete on both the UCD's western and dressage equestrian teams on my horse Buddy.

My name is Sierra Lissick and I am a freshman at Solano Community College



majoring in Conservation Biology and Ecology with plans on becoming a veterinarian in the future. I'm a lifetime Girl Scout, blood platelet donor, and I also volunteer with California Fish and Wildlife out on Grizzly Island Wildlife Area.

My name is Qiming Yang, and I will be graduating this year from UC Davis in Biochemistry and Molecular Biology, with a minor in Forensic Entomology. As a certified diver, I enjoy swimming, scuba diving and various water related activities, which allows me to appreciate the beauty and significance of water.

My name is Scott Navarro and I'm currently a senior at CSU: Sacramento majoring in Environmental Studies. I like to play and watch basketball -- Go Kings! I also enjoy video games, running, hiking, reading, and hanging out in my favorite city, Sacramento.

My name is Kevin Young-Lai. I graduated from UC Santa Barbara majoring in Environmental Studies with an emphasis in water pollution and ecosystem restoration. When not working, you can usually find me hiking, playing tennis, working on vintage cars, or building and repairing things.

My name is Gustavo Cruz but you can call me Gus. I am a UC Merced alumni with an interest in water resources and land management. I am originally from Venice Beach and enjoy working on cars, riding motorcycles, hiking, skating and cycling.



Resort expert praises Lake Berryessa's 'untapped potential' for indoor water park, concert venue

- [BARRY EBERLING beberling@napanews.com](mailto:BARRY EBERLING@napanews.com)

Barry Eberling

- Jul 29, 2017 Updated 23 hrs ago



Napa County is looking at whether Lake Berryessa can recapture its heyday as a resort destination as depicted in this postcard. The photograph is from a Ragatz Realty report that concludes the lake has untapped resort development potential.

A postcard from Lake Berryessa's resort heyday before the federal government began to redevelop the area.

Recreation ideas for the Lake Berryessa of the future could extend beyond the standbys of boating, hiking and camping into more ambitious, uncharted territory.

Adding cottages, motels, glamping and restaurants to the mix is no huge stretch. But now, such possibilities as an indoor water park resort and amphitheater with floating stage are on the table.

A new report done for Napa County by Ragatz Realty depicts Lake Berryessa as a potential prime destination in itself, not simply a lazy afterthought to wine country.

"Lake Berryessa is one of the largest and most attractive freshwater lakes in California," said the international brokerage firm that focuses on the resort industry.

The Napa County Board of Supervisors is considering whether the county instead of the federal government might manage the stalled Berryessa resort redevelopment effort. A new, 423-page report by Ragatz Realty will help guide the decision.

Is Lake Berryessa a golden opportunity or fool's gold? Ragatz pointed out that federal government estimates Berryessa a decade ago attracted 1.5 million visitors annually, three times as many as today.

"It now represents one of the most untapped opportunities in the country for new resort development and local economic impacts," Ragatz Realty said.

Supervisors will hear a report presentation when they meet at 9 a.m. Tuesday at the county administration building, 1195 Third St. in Napa. The Berryessa item is scheduled for 9:35 a.m.

The county turned to Ragatz Realty for expert advice about Berryessa's potential. The lake has seven resorts, but two are closed and three have limited offerings as they await long-stalled transitions.

Ragatz recommends that the county, should it undertake the search for resort concessionaires, initially focus on only two of the five resorts in need of redevelopment—Steele Canyon and Monticello Shores.

Steele Canyon should have a full-service marina and boat launch. The concessionaire should be encouraged to operate a large passenger boat for dinners, weddings and tours of the lake, the report said.

Ragatz Realty also wants Steele Canyon to have one or more "major attractions." That could even be an indoor water park, which would have such things as tube slides, body slides, speed slides, water coasters, children play areas and wave pools.

“Water park attractions can be great fun and adventure for folks of all ages, including conference attendees,” the report said. “We think it possible to integrate views of the lake itself into the design and entertainment theme of a water park.”

California has only one indoor water park and that one is in Southern California, so a Berryessa park wouldn't have regional competition. But Ragatz noted that financing such parks can be difficult.

Or Steele Canyon might have an amphitheater with floating stage as a major draw. The Ragatz report said Jason Scoggins, a partner with BottleRock promoter Latitude 38 Entertainment, said he believes a Berryessa outdoor music venue could succeed if it has about 3,000 seats.

Other candidates for Steele Canyon attractions are a nine-hole golf course and a conference-and-retreat center.

“In summary, Steele Canyon should be the ‘action area,’” the Ragatz report said.

Monticello Shores, in contrast, could be a quieter area with cottages and glamping, which is glamorous camping. The emphasis would be on nature-based activities, not motorized recreation activities.

“It should be the more exclusive area,” the Ragatz report said.

The report had preliminary thoughts for the other resorts. Berryessa Point could have a marina, sea plane base and motel, Putah Canyon could have camping and motor-orientated water activities and Spanish Flat could be the central commercial area with stores, food services and boat launching.

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Solano County's News Source

FAIRFIELD-SUISUN CITY, CALIFORNIA

Vacaville**State panel removes water standard opposed by Vacaville, taxpayers group**By **Ryan McCarthy**

From page A1 | August 02, 2017

VACAVILLE — A state panel removed a new, more-strict standard for drinking water that the city said could cost Vacaville \$7.5 million and the Solano County Taxpayers Association challenged.

The State Water Resources Control Board action Tuesday in Sacramento follows a Sacramento County Superior Court ruling May 31 invalidating the maximum contaminant level for the chemical hexavalent chromium because the state "failed to properly consider the economic feasibility of complying," a release by the water board said.

"While the board disagrees with the court's decision, it has decided not to appeal," the release said.

The state agency instead will begin adopting a new standard.

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Royce Cunningham, director of utilities for Vacaville, said in 2015 that the new standard was politically driven by the environmental industry.

He had told City Council members the new standard for hexavalent chromium in water was 10 times more strict than the federal government's standard.

"When we talk to our peers at the Environmental Protection Agency, they kind of shake their heads and say, 'You folks in California are crazy,'" Cunningham said.

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The challenge by the Solano County Taxpayers Association and the California Manufacturers & Technology Association led to the Sacramento County Superior Court ruling in May.

"As if the current challenges we're facing with the water supply in California aren't bad enough," Ourania Riddle of the taxpayers association had said in 2016, "along comes this unnecessary regulation, which will place steep cost burdens on taxpayers without a benefit to public health."

The Sonoma County-based California River Watch filed a lawsuit in federal court in March contending hexavalent chromium levels in Vacaville's water pose a potential increased risk of cancer.

The nonprofit wanted the court to order Vacaville to revise a public document about the chemical in the drinking water and advise that seniors, along with children, should discuss with doctors whether to stop using water supplied by the city and seek a substitute source.

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California River Watch also wanted a federal court order that the city pay for a supplement environmental project providing safe drinking water to children, the elderly, pregnant women and the infirm when doctors provide a written request to the city.

The city said Vacaville's groundwater wells have been providing drinking water to city residents since the 1950s, and no known cases of hexavalent chromium-related cancers have happened in Vacaville.

The source of hexavalent chromium in Vacaville groundwater is a natural occurrence in the soil and it is not a result of any industrial pollution, said the city.

Reach Ryan McCarthy at 427-6935
or rmccarthy@dailyrepublic.net.

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New water meters in Benicia likely culprit in higher bills

By Katy St. Clair, kstclair@timesheraldonline.com, [@BouncerSF](#) on Twitter

Posted: 08/03/17, 4:05 PM PDT | Updated: 10 hrs ago

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BENICIA >> It began with some rumblings on social media. Benicia residents started to compare notes about their water bills, which for many showed a much higher "Amount Due" than previous bills.

The drought restrictions on watering have been lifted, but many people said they hadn't increased their watering or water use at all.

A five-year rate increase began on July 1, but that billing cycle hasn't arrived in mailboxes yet, and even if it had, it wouldn't double someone's bill, which some are reporting.

So what gives?

Christian Di Renzo, assistant director of public works, says the most likely culprit is the new, highly-accurate meters that have gone into 94 percent of homes.

"This is extremely possible," he said.

There's an adage in the water industry, "Old meters are a customers best friend. New meters are a utilities best friend."

People who previously had the most inaccurate meters could be seeing substantial increases in their bill, Di Renzo said.

The city surveyed its 30-year-old meter system and found an accuracy range as low as 14 percent for some and as high as 99 percent for others, Di Renzo said.

Customers who had only had 14 percent of their water measured before could be looking at some eye-opening bills.

Di Renzo acknowledges that these changes are going to be "difficult" for some people, but they were necessary in order to make the utility sustainable, he said.

"We were almost bankrupt," he said. "It was either this or we have no money."

On top of the new meters, a Benicia City Council approved rate increase went into effect on July 1. It will see rates rise 52 percent over five years, Di Renzo said.

The light at the end of this tunnel — or sewer pipe — is that Di Renzo doesn't anticipate any more rate hikes for quite some time, he said.

**ACTION OF
SOLANO COUNTY WATER AGENCY**

DATE: August 10, 2017

SUBJECT: Solano Subbasin Groundwater Sustainability Agency - General Staffing Agreement and Coordination of Groundwater Sustainability Agencies in the Solano Subbasin

RECOMMENDATION:

1. Approve General Staffing Agreement between Solano County Water Agency and Solano Subbasin Groundwater Sustainability Agency.
2. Authorize staff to facilitate coordination among Groundwater Sustainability Agencies in the Solano Subbasin to develop a single Groundwater Sustainability Plan.

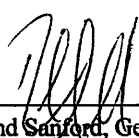
FINANCIAL IMPACT:

Staff time with some incidental expenditures for supplies (printing, mailings, etc.). Sufficient funds have been programed into the FY 2017-2018 budget for these expenditures.

BACKGROUND:

Staffing Agreement

On March 9, 2017 the Board agreed – in concept – to provide staffing and administrative services to the Solano Subbasin Groundwater Sustainability Agency (Solano GSA) – a joint powers agency consisting of the following members: County of Solano, California Water Service, City of Dixon, Dixon Resource Conservation District, Maine Prairie Water District, Reclamation District 2068, City of Rio Vista, Solano Resource Conservation District, Solano County Farm Bureau, and Solano County Agricultural Advisory Committee. The attached General Staffing Agreement (Agreement) defines the scope and compensation for those services.

Recommended: 
Roland Sanford, General Manager

<input type="checkbox"/> Approved as recommended	<input type="checkbox"/> Other (see below)	<input checked="" type="checkbox"/> Continued on next page
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Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on July 13, 2017 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

Pursuant to the proposed Agreement, the Water Agency General Manager would serve as the Secretary/Treasurer to the Board of Directors of the GSA Agency, the Principal Water Resources Specialist would provide day to day administrative support; and Water Agency accounting staff would provide fiscal support, as they currently do for the Lower Putah Creek Coordinating Committee.

At least for the first year of operations, it is proposed that the Water Agency provide the aforementioned services to the Agency without compensation. Pursuant to the proposed Agreement, compensation would be reviewed no later than June 1 of each fiscal year (SCWA's fiscal year : July 1 through the following June 30th) and if deemed appropriate by the parties, adjusted to reflect the anticipated level of SCWA effort in the next fiscal year. In the event the parties are unable to reach an agreement on compensation, SCWA reserves the right to terminate the Agreement following Thirty (30) days written notice to the Agency.

Coordination of Solano Subbasin Groundwater Sustainability Agencies

The Solano Subbasin is largely located in eastern Solano County, but extends into portions of Sacramento County and to a lesser extent Yolo County. Currently, there are a total of seven Groundwater Sustainability Agencies located in the Solano Subbasin (see attached map). Within the Solano County portion of the Solano Subbasin there are four Groundwater Sustainability Agencies; Solano Subbasin GSA, Solano Irrigation District GSA, Vacaville GSA, and the North Delta GSA – Solano County

Pursuant to the Sustainable Groundwater Management Act (SGMA), one or more Groundwater Sustainability Plans (GSPs) must be developed for the Solano Subbasin by January 1, 2022; and collectively, these plans must encompass the entire Solano Subbasin. Staff representatives of the various Groundwater Sustainability Agencies in the Solano Subbasin are exploring the possibility of developing a single GSP for the entire Solano Subbasin, which would be comprised of "special management areas" whose geographic boundaries may be based on the different groundwater hydrologic zones, the respective GSA geographic boundaries, or a combination of several factors. Water Agency staff is requesting Board authorization to coordinate and facilitate future staff level discussions, with the intent of developing a single GSP for the Solano Subbasin that would be adopted by each GSA.

RELEVANCE TO 2016-2025 SCWA STRATEGIC PLAN:

The proposed staff agreement and coordination/facilitation of GSP development is consistent with Goal # 9 of the 2016-2025 SCWA Strategic Plan (*Implement SCWA's role in Sustainable Groundwater Management Act*); Objective "A" (*Participate in ongoing development of Solano Subbasin Groundwater Water Sustainability Agency*)

GENERAL STAFFING AGREEMENT BETWEEN
SOLANO COUNTY WATER AGENCY
AND
SOLANO SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY

The Solano County Water Agency (SCWA), which is not a Member of the Solano Subbasin Groundwater Sustainability Agency (Agency), has agreed, through its Board of Directors, to provide staffing services to the Agency to meet the initial administrative, financial, and personnel needs of the Agency. This General Staffing Agreement (Agreement) will define the scope of services and compensation for those services. SCWA and the Agency shall be Parties and each a Party to this Agreement.

1. STAFFING DUTIES AND RESPONSIBILITIES

- A. The General Manager of SCWA will act as the Secretary/Treasurer to the Board of Directors of the Agency.
- B. The Principal Water Resources Specialist of SCWA will provide day-day business needs of the Agency as described below under item D.
- C. SCWA Accounting staff will provide periodic financial updates to the General Manager whom will provide updates the Agency.
- D. Responsibilities provided by SCWA staff to the Agency are set forth below, and may be amended by the Parties upon written agreement:
 - (1) Assist in the development of Sustainable Groundwater Management Act (SGMA) reports /plans/ procedures/parameters for the Agency to consider;
 - (2) Advising Board Members on SGMA action items;
 - (3) Drafting specific recommended policies, guidance, requirements and regulations for Agency consideration;
 - (4) Assist in oversight and coordination of Special Management Areas;
 - (5) Preparing and submitting grant applications for SGMA compliance, Groundwater Sustainability Plan (GSP) development;
 - (6) Assist in financial oversight;
 - (7) Assist in oversight of Agency designated consultant or third-party contracts;
 - (8) Representing the Agency in meetings with other Groundwater Sustainability Agencies within the Solano Subbasin or adjacent groundwater basins on SGMA matters;
 - (9) Assist with GSP development and implementation.

2. COMPENSATION

The Solano County Flood Control and Water Conservation District, SCWA's predecessor agency, established a zone of benefit and a property tax to partially finance water supply infrastructure and ongoing maintenance and operation of said infrastructure in Solano County. SCWA's mission has expanded over the years and now includes involvement in a variety of water management programs in Solano County. SCWA's Board of Directors have determined that providing staff time to the Agency for SGMA compliance and overall groundwater management is consistent with SCWA's mission and an appropriate use of SCWA's resources. As such, SCWA will not require compensation from the Agency for SCWA staff time utilized by the Agency for SGMA compliance and overall groundwater management.

Compensation will be reviewed no later than June 1 of each fiscal year (SCWA's fiscal year begins on July 1 and ends the following year on June 30) and upon the mutual written agreement by Parties, such compensation may be adjusted to reflect the anticipated level of SCWA effort in the next fiscal year. In the event the Parties are unable to reach an agreement on compensation, SCWA reserves the right to terminate this Agreement following Thirty (30) days written notice to the Agency.

3. TERM AND WITHDRAWAL

- A. The term of this Agreement shall begin on the date signed by the last Party (Effective Date) and shall continue in full force and effect until terminated by the Board of Directors of either Party.
- B. Except as set forth in Section 2 of this Agreement, either Party may terminate this Agreement by delivery of Sixty (60) days prior written notice to the other Party. All notices under this Agreement shall be provided as follows:

Chair, Board of Directors
Solano County Water Agency
810 Vaca Valley Parkway, Suite 203
Vacaville, CA 95758

Chair, Board of Directors
Solano Subbasin Groundwater Sustainability Agency
810 Vaca Valley Parkway, Suite 203
Vacaville, CA 95758

4. DUTY OF CARE, LIMITED LIABILITY, AND INDEMNIFICATION

- A. Directors, officers, and employees of SCWA (SCWA staff) shall use ordinary care and reasonable diligence in the exercise of their powers, and in the performance of their duties pursuant to this Agreement.
- B. So long as SCWA staff performs its duties, responsibilities, and services with the standard of care set forth in Section 4A, SCWA and SCWA staff shall not be liable to the Agency for any and all claims relating to its duties, responsibilities, and services under this Agreement, including without limitation loss incurred through investment of the Agency's funds, or failure to invest the same.
- C. Neither SCWA nor SCWA staff shall be liable for any action made, taken, or omitted, by any director, officer, or employee of the Agency (Agency Action). Agency agrees to indemnify, defend, and hold SCWA and SCWA Staff harmless from any and all claims, disputes, litigation, judgments, and attorney's fees arising out of Agency Action.

5. GENERAL

- A. This Agreement constitutes the entire agreement between the Parties and supersedes any prior agreements.
- B. This Agreement cannot be modified except in writing signed by the Parties.
- C. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures.

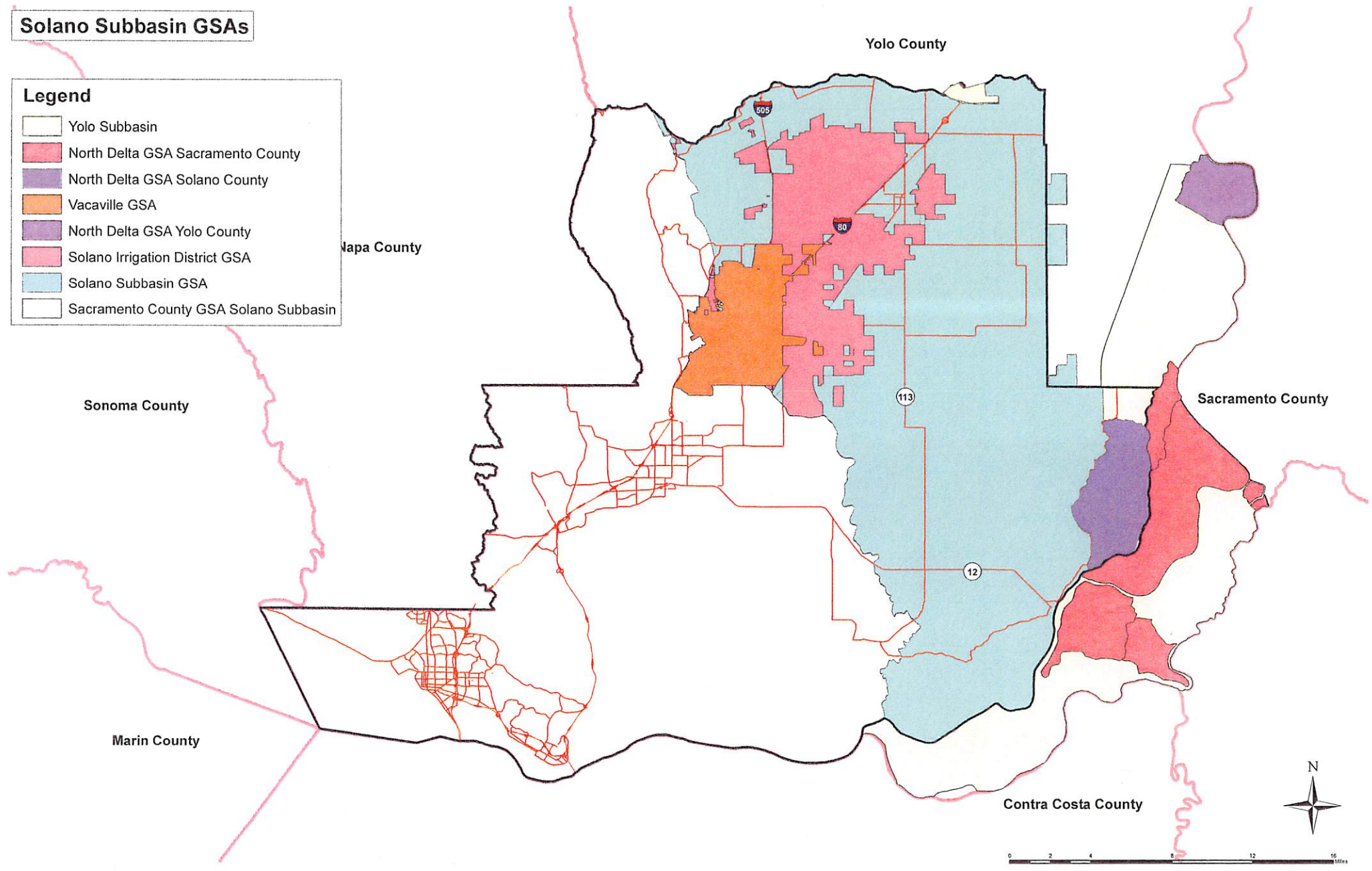
Mayor Pete Sanchez
Chair, Solano County Water Agency

Supervisor Skip Thomson
Chair, Solano Subbasin Groundwater Sustainability Agency

Solano Subbasin GSAs

Legend

- Yolo Subbasin
- North Delta GSA Sacramento County
- North Delta GSA Solano County
- Vacaville GSA
- North Delta GSA Yolo County
- Solano Irrigation District GSA
- Solano Subbasin GSA
- Sacramento County GSA Solano Subbasin



**ACTION OF
SOLANO COUNTY WATER AGENCY**

DATE: August 10, 2017

SUBJECT: Resolution in appreciation of Thomas Michael “Mike” Hardesty

RECOMMENDATION:

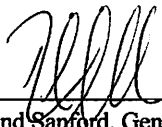
Adopt Resolution 2017-06 honoring Mike Hardesty upon his retirement from Reclamation District 2068.

FINANCIAL IMPACT: None

BACKGROUND:

Mike Hardesty served as General Manager of Reclamation District 2068 for 43 years. His final day as General Manager was July 28, 2017. Mr. Hardesty actively participated in the formation of the Solano County Water Agency and has served on the Solano Water Advisory Commission and as an alternate Water Agency Board member – representing Reclamation District 2068 – since the Solano County Water Agency’s inception. During his tenure as General Manager, Mr. Hardesty contributed greatly to the protection of North Delta water supplies and served as President of the Central Valley Flood Control Association for the past 28 years. In May, 2017 he received the Association of California Water Agencies Lifetime 2017 Achievement Award. Despite over 40 years in the water industry, Mr. Hardesty appears to be of sound mind and at the very least, has not lost his sense of humor. He will missed.

Recommended: _____


Roland Sanford, General Manager

☐

Approved as
recommended

☐

Other
(see below)

☐

Continued on
next page

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on August 10, 2017 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

RESOLUTION OF THE SOLANO COUNTY WATER AGENCY
IN APPRECIATION OF

Thomas Michael “Mike” Hardesty

WHEREAS, Mike served as the General Manger of Reclamation District 2068 (RD 2068) for 43 years, where he worked diligently for the betterment of agriculture water supply reliability, drainage and flood protection; and

WHEREAS, Mike actively participated in the formation of the Solano County Water Agency (Agency), serving as a founding member of the Solano Water Advisory Commission and alternate Board member of the Agency, since the Agency’s inception; and

WHEREAS, Mike contributed greatly to the protection of North Delta water supplies through his active involvement with the North Delta Water Agency; and

WHEREAS, as long-term President of the Central Valley Flood Control Association, Mike worked with local, state, and federal flood interests to maintain the integrity of the flood protection facilities in the Yolo Bypass and Cache Slough Complex; and

WHEREAS, Mike has always been more than willing to share his knowledge and institutional history with others and mentor subordinate colleagues; and

WHEREAS, Mike retired from RD 2068 on July 28, 2017; to pursue other opportunities and interests, including renewing his pilot’s license.

NOW, THEREBY BE IT RESOLVED that the Board of Directors of the Solano County Water Agency extends its deep appreciation to Mike Hardesty for his service to the Solano County Water Agency and the people of Solano County.

Approved and adopted the 10th Day of August, 2017. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the SOLANO COUNTY WATER AGENCY Roll Call Vote:

Ayes:

Noes:

Abstain:

Absent:

Pete Sanchez, Chair

ATTEST:

Roland A. Sanford
General Manager and Secretary to
Solano County Water Agency

LEGISLATIVE UPDATES

RESOLUTION NUMBER 2017-07

**RESOLUTION OF THE SOLANO COUNTY WATER AGENCY
IN SUPPORT OF THE "STATE WATER SUPPLY INFRASTRUCTURE, WATER STORAGE
AND CONVEYANCE, ECOSYSTEM AND WATERSHED PROTECTION AND
RESTORATION, AND DRINKING WATER PROTECTION ACT OF 2018" INITIATIVE**

WHEREAS, Solano County, like many regions across California, is facing water management challenges that are beyond the County's fiscal means to address, as exemplified by the North Bay Aqueduct Alternate Intake Project; and

WHEREAS, in many instances the water management challenges faced by Solano County and others are of statewide interest.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Solano County Water Agency strongly support the State Water Supply Infrastructure, Water Storage and Conveyance, Ecosystem and Watershed Protection and Restoration, and Drinking Water Protection Act of 2018 Initiative.

Ayes:

Noes:

Abstain:

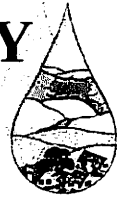
Absent:

Pete Sanchez, Chairman

ATTEST:

Roland Sanford,
General Manager and Secretary to
Solano County Water Agency

SOLANO COUNTY WATER AGENCY



August 4, 2017

Dr. Gerald Meral
Natural Heritage Institute
P.O. Box 1103
Inverness, CA 94937

Dear Jerry,

I write in support of the "State Water Supply Infrastructure, Water Storage and Conveyance, Ecosystem and Watershed Protection and Restoration, and Drinking Water Protection Act of 2018"

Please contact me if you have any questions.

Sincerely,

Supervisor Skip Thomson
SCWA Chair, Legislative Committee

810 Vaca Valley Parkway, Suite 203
Vacaville, CA 95688
(707) 451-6090
Fax (707) 451-6099

WATER POLICY UPDATES

Case No. S. 243500

IN THE SUPREME COURT OF CALIFORNIA

SAN DIEGO COUNTY WATER AUTHORITY,
Plaintiff and Appellant,

v.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, ET AL.,
Defendants and Appellants.

After a Decision by the Court of Appeal,
First Appellate District, Division Three,
Case Nos. A146901, A148266

The Superior Court of the City and County of San Francisco,
Case Nos. CFP-10-510830, CFP-12-512466

PETITION FOR REVIEW

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COLLEEN ROH SINZDAK
(pro hac vice pending)
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**SAN DIEGO COUNTY
WATER AUTHORITY**

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Counsel for Plaintiff and Appellant
SAN DIEGO COUNTY WATER AUTHORITY

CERTIFICATE OF INTERESTED ENTITIES OR PERSONS

(Cal. Rule of Court 8.208)

San Diego County Water Authority knows of no entity or person that must be listed here under California Rule of Court 8.208(e)(1), or (2).

Dated: July 31, 2017

John W. Kekker /wb
John W. Kekker

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**TO THE HONORABLE CHIEF JUSTICE OF CALIFORNIA AND
THE ASSOCIATE JUSTICES OF THE CALIFORNIA SUPREME
COURT:**

The San Diego County Water Authority respectfully petitions for review of a decision of the Court of Appeal.

STATEMENT OF THE ISSUE

Whether a state water agency may charge its transportation-only customers costs associated with a service those customers do not purchase.

INTRODUCTION

This case is about two fundamental pillars of California's public policy: the State's keen focus on the efficient allocation and conservation of the State's water supply, and its broad commitment to ensuring that the prices of government services reflect the costs the government incurs to provide them.

For over a decade, petitioner San Diego Water Authority ("Water Authority") has funded vital conservation projects in the Imperial Valley in exchange for a share of the Colorado River water conserved through these efforts. The Water Authority pays respondent Metropolitan Water District ("Metropolitan") to transport this supply of conserved water along Metropolitan's Colorado River Aqueduct to the Water Authority's distribution system, where it can be relayed to local water agencies in San Diego County.

The Superior Court held that Metropolitan's charges for this service exceeded the cost that Metropolitan incurs to provide it by almost \$200 *million* in the space of four years alone. It explained that Metropolitan provides two distinct services: supply services, which include obtaining and reselling a supply of water to its customers, and transportation-only services like the ones the Water Authority purchases to move its supply of

Imperial water. The court held that Metropolitan acted unlawfully in passing on costs to its transportation-only customers that were incurred by Metropolitan in the course of purchasing a supply of water for resale. The Court of Appeal reversed. It held that Metropolitan could treat most of the price it pays to obtain water supplies from the State as though it were a cost incurred to transport water over Metropolitan's aqueduct and pipes, approving a sleight of hand that allows Metropolitan to pass on hundreds of millions of dollars in *supply* costs to customers seeking only *transportation* services.

The decision in this case is obviously of immense importance to San Diego County's population, its flourishing economy, and its major military installations, all of which depend on the supply of conserved Imperial water that Metropolitan transports for the Water Authority. But the decision's consequences extend much farther.

The Court of Appeal's holding runs directly counter to California's commitment to water conservation and the efficient management and transfer of limited water resources. This commitment has long been facilitated by the Wheeling Statutes, laws that require the owners of water conveyance systems to make available the unused capacity in those systems at a reasonable price to other entities to transport (or "wheel") their water supplies. These Statutes ensure that an entity that conserves, purchases, or develops water supplies has a cost-effective means to transport that water to the area in which it is needed. They became particularly important in 2009, when the Legislature made clear that the State must reduce its reliance on water from the sensitive Sacramento-San Joaquin Bay Delta. The survival of that crucial ecosystem depends on the development and conservation of new sources of water within Southern California itself. And those efforts,

in turn, depend on the availability of a reasonably priced means to transport these water supplies within the region.

Metropolitan owns the only major system for transporting water throughout Southern California. By allowing this monopolist to charge exorbitant rates for transporting water, the Court of Appeal's decision flouts the Wheeling Statutes and the State's established water policy, and erects a significant barrier to California's efforts to reduce its dependence on the Bay Delta. Indeed, in this case, the Court of Appeal approved transportation rates that inflate the Water Authority's cost of using conserved Imperial Valley water to almost *double* the cost of using water sold by Metropolitan. That is exactly the opposite of what the Legislature intended, especially given that Metropolitan's water supply is drawn in large part from the sensitive Bay Delta region.

The Court of Appeal's decision also gives unregulated public utilities a roadmap for evading vital constitutional dictates regarding the appropriate pricing of government services. Proposition 26—the culmination of four decades of ballot initiatives demanding government accountability—declares that government charges must reflect “the reasonable cost or value of the activity with which the charges are associated.” (*Jacks v. City of Santa Barbara* (Cal. June 29, 2017, S225589) 3 Cal.5th 248, [2017 WL 2805638, at *5].) The court's decision permits public agencies to evade the only protections vulnerable ratepayers have against otherwise unregulated and unaccountable public utilities.

The decision also breaks with a line of prior appellate opinions holding that—particularly when it comes to water services—charges must be based on the reasonable cost of the services provided to ensure fairness in the prices Californians pay for this basic necessity of life.

Because of this split, and because this case has enormous consequences for San Diego County, the State's efforts to conserve water and protect the Bay Delta ecosystem and water supply, and California's commitment to reasonable government ratemaking, this Court's review is imperative.

BACKGROUND

Water is California's most precious natural resource, as the inhabitants of Southern California know only too well. In contrast to their northern neighbors, residents of Southern California depend heavily on water from remote sources to sustain their households, businesses, and farms. At present, that water comes principally from the Colorado River to the East and the Sacramento-San Joaquin Bay Delta to the North.

The Water Authority is one of the major public water agencies in Southern California that relies on water from these sources. The Water Authority provides water to the twenty-four local agencies that supply San Diego County's 3.3 million residents, its thriving \$222 billion economy, and one of the largest concentrations of military facilities in the United States, including the First Marine Division at Camp Pendleton and much of the Navy's Pacific Fleet. Local sources of water are scarce in San Diego County even by Southern California's standards. To meet demand, the Water Authority has historically imported between 75 and 95 percent of its water. (See [*In re Quantification Settlement Agreement Cases (QSA Cases)*] (2011), 201 Cal.App.4th 758, 784].)

A. Sources Of San Diego County's Imported Water Supply

The Water Authority purchases most of its imported water from Metropolitan, a regional water agency whose twenty-six members include the Water Authority. (*QSA Cases, supra*, 201 Cal.App.4th 758.)

Metropolitan receives a share of California's entitlement to Colorado River water, which it imports along its own Colorado River Aqueduct. (Opn. at pp. 6-8; see [*QSA Cases*, *supra*, 201 Cal.App.4th at 782-785].) Metropolitan augments that supply by drawing on an annual entitlement to water from the State Water Project. (Opn. at p. 6.) The Project is a series of dams, reservoirs, power plants, and pumping plants that collects water from rivers in the north, gathers it in the Sacramento-San Joaquin Bay Delta, and conveys it south along the state-owned and operated California Aqueduct to Metropolitan's service area. (*Id.* at 5.)

Although it relies heavily on Metropolitan, the Water Authority has also developed additional sources of water supplies. Since 2003, the Water Authority has purchased a significant amount of water through an innovative conservation agreement with the Imperial Irrigation District ("Imperial"), a water agency on California's southeastern border, far from the Water Authority's service area. Like Metropolitan, Imperial is entitled to a share of the State's Colorado River water. But in the 1980s, the State Water Resources Control Board found that Imperial was losing too much water to inefficient uses. (*QSA Cases*, *supra*, 201 Cal.App.4th at 787.) When early conservation efforts proved insufficient, the Board ordered Imperial "to enter into an agreement with a separate entity willing to finance water conservation measures in the district or take other measures." (*Ibid.*) Thus, in 1998, Imperial and the Water Authority reached the initial terms of an agreement finalized in 2003 that is today the "largest agricultural-to-urban water transfer in United States history." (*Id.* at 788.) Under that arrangement, the Water Authority agreed to invest extensively in conservation efforts in the Imperial Valley in exchange for access to the

supply of Colorado River water Imperial conserves through those efforts.
(*Ibid.*)

Because the Water Authority has no independent means of transporting the conserved water it obtains from Imperial to its members, it contracts with Metropolitan to convey Imperial's water to the Water Authority's distribution system through Metropolitan's Colorado River Aqueduct.

The Water Authority thus has two distinct arrangements with Metropolitan. First, the Water Authority purchases a supply of Metropolitan's water—more than any other member agency—which it also pays Metropolitan to transport to the Water Authority's service area. (*Ibid.*) Second, the Water Authority pays Metropolitan to transport the conserved water purchased from Imperial. The rates that Metropolitan charges the Water Authority to transport conserved Imperial water under this latter agreement are the subject of this petition.

B. Metropolitan's Rates

Metropolitan has established a schedule of rates purportedly designed to recover the costs of its different services. Metropolitan's rate for supply services is supposed to recover the total costs Metropolitan incurs to obtain Colorado River and State Water Project water for resale to its members, including the Water Authority. (Opn. at p. 12.) Metropolitan's rates for transportation services are supposed to cover its costs for transporting water over Metropolitan's conveyance system. The transportation rates have three components: (1) a "system access rate" that purports to recover the costs of operating and maintaining Metropolitan's water transportation system, including the Colorado River Aqueduct; (2) a "system power rate" to account for the cost of pumping water through the

system; and (3) a “water stewardship rate” ostensibly intended to fund conservation projects. (*Ibid.*)

When a customer buys Metropolitan water, it pays a “full-service” rate that includes both the supply rate and the three transportation rates. (*Id.* at p. 13.) When a wheeling customer transports third-party water over Metropolitan’s aqueducts and pipes, it pays a “wheeling rate” that includes the system access and water stewardship rates, along with the incremental cost of power used to wheel the water.

Like any other supply customer, the Water Authority pays the full-service rate when it buys water supplies from Metropolitan. The Water Authority’s use of Metropolitan’s system to deliver Imperial water, on the other hand, is governed by a 2003 water exchange agreement. Under the Exchange Agreement, the Water Authority agreed to pay no more than the charges set “pursuant to applicable law and regulation and generally applicable to the conveyance of water by Metropolitan on behalf of its member agencies.” (22 Appellants’ Appendix (“AA”) 6137-38, at § 5.2.) In other words, the Water Authority agreed to pay a lawful wheeling rate. (See [Opn. at p. 13].)

C. Legal Constraints On Ratemaking

Although the parties have disagreed over which particular provisions are relevant, it is now beyond dispute that the “applicable law and regulation” referred to in the Exchange Agreement includes constitutional, statutory, and common law constraints on ratemaking, each of which requires that rates be both reasonable and attributable to the cost of the services provided.

The Wheeling Statutes. Chiefly relevant here are the Wheeling Statutes, (Wat. Code, § 1810 et seq.), which dictate what public agencies

like Metropolitan can charge for standalone water transportation services. The Wheeling Statutes mandate that the owner of a water conveyance system make its excess capacity available to wheelers, asking no more in exchange than “fair compensation,” defined as “the reasonable charges incurred by the owner of the conveyance system . . . for the use of the conveyance system,” less “reasonable credit for any offsetting benefits for the use of the conveyance system.” (*Id.* § 1811, subd. (c); see [*id.* § 1810].) In other words, a system owner may not charge a wheeler more than the reasonable costs “occasioned, caused, or brought about by the use of the conveyance system.” (*Metro. Water Dist. v. Imperial Irrigation Dist.* (2000) 80 Cal.App.4th 1403, 1431, internal quotation marks omitted).

The *Imperial* Court held that a system’s owner need not identify the incremental cost of using the particular pipes or pumps that wheel water in a specific transaction. (*Id.* at 1426-1428.) Rather, the owner of a conveyance system may set so-called “postage stamp” rates based on the quantity of water wheeled, without regard to the path the water takes or how far it travels. (*Id.* at 1433-1434; see also [Wat. Code, § 1812, subd. (b) (authorizing owner to set rates)].) Even if *Imperial* is correct, (but see [*infra* p. 26 n.6]), an owner that establishes a postage stamp rate is still required to base that rate on the costs “incurred . . . for the use of the conveyance system.” (Wat. Code, § 1811, subd. (c).) It must do so “in a reasonable manner consistent with the requirements of law *to facilitate the voluntary . . . exchange of water*,” and must “support its determinations by written findings.” (*Id.* at § 1813 [emphasis added].) In an action challenging a wheeling rate, the reviewing court must similarly “consider all relevant evidence” while “giv[ing] due consideration to the purposes and policies” of the Wheeling Statutes. (*Ibid.*) The court may sustain a

wheeling rate only if it finds that it is "supported by substantial evidence."
(*Ibid.*)

Other Constitutional and Statutory Requirements. The Wheeling Statute's requirements of reasonableness and cost causation are reinforced by Proposition 26. Proposition 26 prohibits local government entities from imposing "any levy, charge, or exaction of any kind" without voter approval, unless it is "[a] charge imposed for a specific government service or product provided directly to the payor . . . and which *does not exceed the reasonable costs* to the local government of providing the service or product." (Cal. Const., art. XIIC, §§ 1, subd. (e), 2, subd. (c), emphasis added).

The burden is on the *agency* to prove that the charge falls within the exception, "that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bears a fair or reasonable relationship to the payor's burdens on, or benefits received from, the [agency's] activity." (Cal. Const., art. XIIC § 1.)

Finally, Government Code section 54999.7 subdivision (a) provides that fees for a "public utility service, other than electricity or gas, shall not exceed the reasonable cost of providing the public utility service." And this Court has held that, under the common law, a rate is valid only if it is based "on the cost of service or some other reasonable basis." (*Cty. of Inyo v. Pub. Utils. Comm'n* (1980), 26 Cal.3d 154, 159 n.4.)

D. The Present Lawsuit

Despite the clear requirements of reasonableness and cost-causation, for over a decade, Metropolitan has charged the Water Authority a rate for *transportation* services under the Exchange Agreement that includes costs

Metropolitan incurs to obtain a *supply* of water from the State Water Project for resale to full-service customers.¹

Pursuant to its contract for a water supply from the State Water Project, Metropolitan pays the California Department of Water Resources set “water supply contract charges.” (18-AA-05043.) Some of these charges are based on Metropolitan’s “maximum annual water entitlement” under its agreement with the State. Others are based on the “portion of the [Project’s conveyance] System required to deliver such entitlements” to Metropolitan. (Opn. at p. 6 [quoting *Goodman v. Cnty. of Riverside* (1983), 140 Cal.App.3d 900, 903-904].)² These latter “deliver[y]” or water “transportation charges” account for more than 75% of the total “water supply contract charges” that Metropolitan must pay to obtain its supply of Project water. (See [40-AR2010-11488; 59-AR2012-16635]).

No one disputes that Metropolitan may recover these charges from customers who purchase a supply of Metropolitan water. But Metropolitan does not simply allocate these “water supply contract charges” to its supply rates. Instead, Metropolitan allocates the delivery portion of the supply charges to Metropolitan’s system access rate, which it charges to full-service *and wheeling* customers alike. That means that Metropolitan recovers a substantial portion of its State Water Project *supply* charges from customers who are *not* seeking supply services.

¹ Under the Exchange Agreement, the Water Authority agreed not to challenge Metropolitan’s rates for five years after the agreement’s effective date. (Opn. at pp. 10-11 & n.5.)

² Metropolitan must pay these charges whether or not it actually receives any water. It pays additional amounts—not relevant here—based on the water that it actually receives. (See [Opn. at p. 6].)

Metropolitan's purpose in shifting these supply costs to its wheeling customers is nakedly discriminatory and protectionist. Metropolitan's own written findings, prepared in support of the challenged rates, state that it is "necessary" to include "unavoidable costs *attributable to Metropolitan's supply*" in its wheeling rate "in order to protect Metropolitan's member agencies from financial injury by avoiding the shifting of those costs from a wheeling party to Metropolitan's other member agencies." (9 Administrative Record ("AR") 2010-2449, at § 7, emphasis added.) In other words, Metropolitan chose to saddle buyers of *transportation* services with *supply* costs rather than make its full-service customers bear the true cost of the water supplies they purchase.

This case comprises lawsuits the Water Authority filed in 2010 and 2012, challenging Metropolitan's transportation rates for 2011-2012 and 2013-2014, respectively. As relevant here, the Water Authority alleged that Metropolitan's inclusion of State Water Project costs in these rates violated the Wheeling Statute, California's Constitution, Government Code section 54999.7 subdivision (a), and the common law. Not only did that render the rates invalid, it also breached Metropolitan's obligation under the Exchange Agreement to charge rates set "pursuant to applicable law."³

The Superior Court's Decision. The Superior Court held a bifurcated bench trial. In the first phase, the court invalidated Metropolitan's transportation rates on the ground that they improperly

³ The Water Authority also challenged Metropolitan's water stewardship rate, as well as Metropolitan's treatment of payments under the Exchange Agreement for purposes of calculating the Water Authority's preferential rights to water under Wat. Code—Appen. § 109-135, and a provision in certain other contracts between the parties that purported to allow Metropolitan to cut off funding for conservation efforts in retaliation for a suit challenging its rates.

included the State Water Project's charge for delivering Project water to Metropolitan—a supply cost.⁴ The court began by noting that Metropolitan had previously treated the Project water supply contract charges as *supply* costs and that “[n]o reasonable basis appears in the record as to why this has changed.” (Statement of Dec. at p. 53.)⁵ Metropolitan first argued that it was permitted to recoup a portion of these supply charges from its wheeling customers because the Department of Water Resources’ billing statements itemize the costs the State incurs in providing Project water, with some of these supply costs categorized as “transportation charges” that cover the State’s costs of transporting Project water *to* the Project’s customers.

The Superior Court easily rejected that argument, explaining that “the issue is not whether [the State Water Project costs] are transportation related; the issue is whether there is any reasonable basis to conclude” that the State Water Project’s transportation costs “are *Met’s*” costs for transporting water over *Metropolitan’s* conveyance system. (Statement of Dec. at p. 54.) The court observed that “only system-wide costs attributable to [Metropolitan’s] ‘conveyance system’ should be the basis for the wheeling rates.” (*Id.* at p. 57.)

The Superior Court found “no reasonable basis” in the record to sustain Metropolitan’s second argument, that the State Water Project is somehow part of Metropolitan’s conveyance system because

⁴ The Superior Court separately invalidated the water stewardship rate. In the second phase of the trial, the court condemned Metropolitan’s preferential rights calculations. (See [Statement of Dec. at pp. 58-61; Aug. 28, 2015 Statement of Dec. at pp. 25-29].)

⁵ Unless otherwise noted, all references are to the Superior Court’s April 24, 2014 Statement of Decision.

Metropolitan's supply contract allows it to wheel non-Project water over Project facilities under certain circumstances. (*Ibid.*) "[W]hile Met may from time to time use the state's transport capability to move some of its water," the court explained, "that does not support the reasonableness of including **all** the state's transportation costs as part of Met's transportation costs." (*Id.* at p. 53.) Moreover, the evidence showed that the vast majority of the non-Project water moved over the State Water Project's system was water "sold by Met to its member agencies"—that is, water provided as part of Metropolitan's *supply* service—"not wheeled water." (*Id.* at p. 55.)

In the trial's second phase, the Superior Court concluded that Metropolitan breached the Exchange Agreement by charging the Water Authority the unlawful transportation rates. The court awarded contract damages of nearly \$235 million, including prejudgment interest, and attorneys' fees of almost \$9 million. (*Opn.* at p. 16.) Metropolitan appealed and the Water Authority cross-appealed to challenge the Superior Court's rulings on two ancillary issues.

The Court of Appeal's Decision. The Court of Appeal, First Appellate District, affirmed the vast majority of the Superior Court's rulings in the Water Authority's favor and reversed the rulings challenged in the Water Authority's cross-appeal. But the Court of Appeal disagreed with the Superior Court's analysis of the State Water Project costs.

Contrary to the Superior Court, the Court of Appeal believed there was a basis in the record to conclude that the State Water Project's transportation system is a part of Metropolitan's own system. (*Opn.* at p. 22.) The court offered three reasons for that conclusion. First, it noted that "[t]he [Department of Water Resources] bills" separately "for transportation costs." (*Ibid.*) While the Superior Court found the cost

itemization immaterial, the Court of Appeal thought it was significant that these charges “return to the state those costs of the project transportation facilities necessary to deliver water to” Metropolitan. (*Id.* (internal quotation marks omitted).)

Second, the court noted that, while “Metropolitan has, to date, chiefly used State Water Project facilities to receive project water,” the State’s network is “available to Metropolitan for the transport of both project and nonproject water.” (*Id.* at p. 23.) The court highlighted the fact that Metropolitan had apparently used the State’s system to wheel non-Project on two occasions in 2009. (*Ibid.*) It held that those two occasions supported Metropolitan’s decision to treat 100% of the Project’s transportation-related supply charges as costs Metropolitan incurs to transport water over Metropolitan’s own system.

Third, the Court of Appeal rejected the Water Authority’s assertion that there was no basis in the record for Metropolitan’s decision to recharacterize its State Water Project costs after long treating them as supply costs. (Opn. at p. 24). The court acknowledged that there had been a shift, but found that Metropolitan adequately justified the change. Among other things, the court cited the same written findings in which Metropolitan explained its intention to force wheelers to bear water supply costs—though it neither mentioned that prominently featured passage, nor explained how it could be squared with precedent barring that protectionist rationale. (*Id.* at p. 25.)

The Court of Appeal thus held that Metropolitan’s inclusion of State Water Project costs in its transportation rates was lawful under the Wheeling Statutes, the common law, Proposition 26, and Government Code section 54999.7. (See [Opn. at pp. 27, 29, 32].)

The Water Authority petitioned for rehearing on July 6, 2017. The Court of Appeal denied rehearing on July 18, but modified its decision to make clear that it expressed no views on “[t]he legality of the water stewardship fee as a component of Metropolitan’s full-service water rate.” (*San Diego Cty. Water Auth. v. Metro. Water Dist.* (2017) 12 Cal.App.5th 1124 [2017 WL 2665185, at *16 n.16].)

REASONS FOR GRANTING REVIEW

California has long embraced a policy of putting the State’s precious water supplies “to beneficial use to the fullest extent of which they are capable.” (Cal. Const. art. X, § 2.) The ability to move water from areas where it is plentiful to those where it is needed is essential to achieving that objective. And that depends, in turn, on the availability of fairly priced transportation services. That is one reason why the State’s voters and the Legislature have enacted statutes and constitutional provisions that bar public agencies from impeding water transfers by imposing unreasonable or disproportionate transportation rates.

The Court of Appeal ignored these critical constraints and the policies they vindicate. Stripped of Metropolitan’s rhetoric and jargon, what happened here is simple: Metropolitan took charges it had always treated as *supply* costs—that is, after all, what they are—and rebranded them as “transportation” costs so that it could pass them on to transportation-only customers. And it did so for the express purpose of protecting Metropolitan’s full-service customers from the higher prices that might come if transportation-only customers paid true transportation-only rates.

By approving Metropolitan’s unlawful rates, the court split with prior decisions forbidding public agencies from charging prices that

dramatically exceed the costs of the services they provide, and precedents explicitly rejecting efforts to impede water transfers to protect a utility's supply customers.

The result is that Metropolitan is free to charge exorbitant and unreasonable wheeling rates. And because Metropolitan controls *almost all* of the facilities available to transport water within Southern California, water suppliers will be severely impeded in their efforts to conserve and develop local water supplies in the region. That, in turn, will frustrate the Legislature's aim of reducing the State's dependence on the sensitive Bay Delta region and ecosystem. Other utilities that own and operate water conveyance systems may also be encouraged to follow suit, further undermining State policy and the cost-effective wheeling arrangements that exist in other parts of the State. This Court's intervention is urgently needed.

I. REVIEW IS NECESSARY BECAUSE THE COURT OF APPEAL BROKE WITH SETTLED PRECEDENT TO ARRIVE AT A DECISION THAT IMPERILS CRUCIAL ELEMENTS OF CALIFORNIA PUBLIC POLICY.

A. Public Policy Favors The Efficient Use And Transfer Of Water Resources And Reasonable Government Rate-Setting.

California's commitment to the careful management and conservation of water resources is crystal clear. As early as 1928, the State's Constitution recognized that, "the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use . . . of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of

the people and for the public welfare.” (Cal. Const., art. X, § 2; *People v. Shirokow* (1980), 26 Cal.3d 301, 309 & n.10.)

California policy with respect to the pricing of government services is equally clear. Starting in 1978 with the passage of Proposition 13, the State’s policy has consistently been to “restrict[] allowable fees to the reasonable cost or value of the activity with which the charges are associated.” (*Jacks, supra*, 2017 WL 2805638, at *5.) The State’s voters reiterated that requirement in 1996 with Proposition 218, and again in 2010 with Proposition 26. (See [*id.* at *6]; *Newhall Cty. Water Dist. v. Castaic Lake Water Agency* (2016), 243 Cal. App.4th 1430, 1446.) Each time the voters sent a clear message: a government entity may not impose a covert tax by charging a rate for its services that exceeds the costs the agency incurs to provide those services. (*Jacks, supra*, 2017 WL 2805638, at *5.)

B. The Court Of Appeal Broke From Prior Appellate Decisions Enforcing These Core Policies.

In case after case, the courts of appeal have recognized these important public policies and vindicated the laws and constitutional provisions that protect them. In doing so, they have emphasized that a water utility *may not* charge prices that exceed the costs of its services, and that utilities offering water transport services must be carefully policed. For example, in *Newhall*, the court of appeal reiterated that the strict cost-causation requirements of Proposition 26 forbid a water agency from basing rates for one service on a different service that its customers get elsewhere. (243 Cal. App.4th at 1441-1442.) In *City of Palmdale v. Palmdale Water District* (2011), 198 Cal.App.4th 926, the court of appeal held that under Proposition 218—the precursor to Proposition 26—a public water agency must eschew protectionist “rate stability” in favor of pricing that reflects

the actual costs of serving a particular set of customers. (See [*id.* at 937-38].) And in *San Luis Coastal Unified School District v. City of Morro Bay* (2000), 81 Cal.App.4th 1044, the court of appeal held that, under the Wheeling Statutes, the owner of a water conveyance system may not refuse to transport water on the ground that transporting third party water might “injure” its existing supply customers by raising their costs. (*Id.* at 1050.)

The decision below splits from this precedent. The Court of Appeal acknowledged that the rate Metropolitan charges for transportation services must be “reasonably related to the costs of providing *those services*.” A[19] (emphasis added). But it went on to undermine that principle by allowing Metropolitan to charge wheeling customers a portion of the charges that Metropolitan pays to obtain a *supply* of Project water from the State.

The *Newhall* and *Palmdale* courts plainly would have reached a different result. In *Newhall*, the court invalidated a rate under Proposition 26 because it did not “bear[] a reasonable relationship *to the payor’s burdens on or benefits from the Agency’s activity*.” 243 Cal.App.4th at 1446 (emphasis added). Similarly, in *Palmdale*, the court held that a set of water rates was unconstitutional because there was a disparity between the prices the utility’s customers paid, and the cost of the services they received. 198 Cal.App.4th at 937. The same is true here: Metropolitan’s transportation-only customers are forced to pay a rate that includes charges for a supply of Project water that they do not seek and certainly do not “benefit from.” There is therefore a disparity between the price the Water Authority pays for the transportation of its Imperial Water and the costs Metropolitan incurs in providing that service.

The Court of Appeal's decision also conflicts with *Morro Bay*. Under that precedent, the court should have unequivocally condemned Metropolitan's plainly unlawful purpose in establishing its excessive transportation rates. Again, Metropolitan's *own written findings* setting stated that the rates were set to "protect Metropolitan's member agencies from financial injury by avoiding the shifting of [supply] costs from a wheeling party to Metropolitan's other member agencies." (9-AR2010-2449, at § 7, emphasis added.) *Morro Bay* makes clear that the Wheeling Statutes bar that kind of protectionism. Yet the Court of Appeal turned a blind eye to Metropolitan's express rationale—even while it cited approvingly to the document in which Metropolitan set out this impermissible purpose. (Opn. at p. 25.)

At the very least, each of these decisions should have counseled searching scrutiny of Metropolitan's rates and explanations. (See, e.g., [*Palmdale*, 198 Cal.App.4th at 933 (explaining that a "more rigorous standard of review is warranted" in constitutional challenges to government rate setting)].) Instead, the Court of Appeal uncritically accepted Metropolitan's decision to charge the majority of its State Water Project costs to wheeling customers, even though customers seeking to wheel water are *not seeking supply services*.

C. By Splitting From These Prior Decisions, This Case Sets A Dangerous Precedent.

By splitting from the prior precedent of the courts of appeal, the decision in this case threatens the important public policies those decisions recognized and protected. That is particularly significant in light of the fact that Metropolitan controls access to the principal water conveyance systems in Southern California and the Legislature has recently re-emphasized the

importance of conservation efforts that depend on fair transportation pricing. But the decision will also have consequences for the State's efforts to ensure ratepayer protection and accountability in government pricing in general.

1. The Court Of Appeal's Decision Threatens The State's Attempts To Reduce Reliance On Water From The Sensitive Bay Delta Region.

In 2009, the Legislature made it "[t]he policy of the State of California . . . to reduce reliance on the Delta" region that lies at the heart of the State Water Project "in meeting California's future water needs." (Wat. Code § 85021.) Accordingly, "[e]ach region that depends on water from the Delta watershed shall improve its regional self-reliance for water through . . . local and regional water supply projects, and improved regional coordination of local and regional water supply efforts." (*Ibid.*; Stats. 2010, 7th Ex. Sess. 2009, ch. 5, § 39; see also [Prop. 84, as approved by voters, Gen. Elec. (Nov. 7, 2006), Pub. Resources Code, § 75003, subdv. (a), par. (6)] [similar].) The law exempts the routine operations of the State Water Project, but it nonetheless embodies a new policy of looking to increased conservation and other alternatives to continued exploitation of the Bay Delta.

If Metropolitan is allowed to charge wheeling rates that far exceed its costs, local and regional water agencies will, for all practical purposes, be unable to invest in conservation projects that rely on the ability to transport conserved water. The transaction at stake in this case is the 2009 legislation's poster child. The Water Authority has made a multi-billion dollar investment in water conservation, allowing a commensurate reduction in the amount of imported Delta water it buys from Metropolitan.

Yet the Court of Appeal approved rates that make it nearly *twice* as costly for the Water Authority to supply its customers with conserved water as to buy water—including State Water Project water from the Bay Delta—from Metropolitan. (See [21-AA-5988; 40 Reporter’s Transcript 2509:16-2510:7].) Such exorbitant pricing is almost certain to deter others from following the Water Authority’s lead at a time when the State’s express policy is to *encourage* regional conservation and water transfers to the greatest extent possible. (See, e.g., [Wat. Code, § 109 (directing state agencies “to encourage voluntary transfers of water”); *id.* at § 475 (similar)].) This Court’s review is warranted to ensure that the Court of Appeal’s decision does not frustrate these important policies.

2. The Court Of Appeal’s Decision Threatens Efforts To Ensure The Reasonable Pricing Of Government Services.

Moreover, the Court of Appeal’s decision will have consequences far beyond the water context: It stretches the requirements of cost-causation and proportionality beyond recognition. That risks undermining a nearly forty-year effort by California voters to rein in government charges and increase political accountability—an effort this Court described in detail just last month. (See [*Jacks, supra*, 2017 WL 2805638, at *3-6].)

By allowing Metropolitan to charge a transportation rate that builds in supply costs, the Court of Appeal effectively let Metropolitan tax its wheeling customers to offset the rates paid by full-service customers. That is plainly unconstitutional, not to mention patently unfair. (See [*id.* at *5].) But the decision also subverts the policies of cost-causation and proportionality in two subtler ways:

First, the Court of Appeal’s decision weakens the cost *control* function of cost-causation and proportionality by opening the door to

increasingly tenuous relationships between services and costs. The decision sends the message that an agency can spread any cost across all of the services it provides by arguing that the cost is somehow “regional,” “general,” or “system-wide,” no matter how contingent or *de minimis* the relationship, and even if there is no evidence to support such generalizations. That removes an important incentive for agencies to manage their costs. Agencies that would otherwise trim costs to avoid rates that might turn away customers for a particular service can now disguise and spread those costs across all of their customers instead of managing their operations more prudently. And because agencies often operate in spheres where market forces are constrained, customers lack the usual array of options to pursue alternative suppliers for those services.

Second, the Court of Appeal’s decision increases the temptation to insulate customers of a particular service from the true cost of that service by spreading costs to other less favored customers or activities. It thereby undermines the cost *accountability* function of the cost-causation and proportionality requirements. Cost-spreading allows agencies to obscure the impact of waste and inefficiency. More perniciously, it permits government entities to shift costs from politically influential or favored clients to customers the agency thinks it can get away with burdening, such as communities or individuals less likely to be able to vindicate their rights in court.

By undermining cost control, transparency, and accountability, the Court of Appeal’s decision thus subverts the design of good government California’s voters have chosen at the ballot box. And the consequences sweep beyond the management of the State’s most precious natural resource—Proposition 26 and other measures that enforce cost-causation

and proportionality apply to a broad range of charges, assessments, and exactions. (See, e.g., [Gov. Code, § 54999.7, subd. (a) (public utilities)]; *id.* § 50474.21, subd. (b) (airport facilities); Vehicle Code, § 9250.18, subd. (b) (vehicle registration)].) This Court must accept review to ensure that these important limits are not reduced to mere suggestions.

II. THE COURT OF APPEAL'S DECISION IS WRONG.

Not only does the Court of Appeal's decision split from established precedent and threaten to undermine core California policies, it is also plainly wrong. The court's analysis of Metropolitan's treatment of State Water Project costs cannot be squared with the requirements of the Wheeling Statutes and Proposition 26. And its failure to consider the offsetting benefits that Metropolitan obtains by wheeling Imperial water on the Water Authority's behalf offers an independent reason for review.

A. The Wheeling Statutes And Proposition 26 Prohibit Charging Wheeling Customers All Of Metropolitan's State Water Project Costs.

The Metropolitan rate-setting ruse that the Court of Appeal accepted is relatively straightforward: The Department of Water Resources sends Metropolitan bills pursuant to its "contract for a water supply from the State Water Project" and various other agreements. (See [18-AA-05029].) Those bills itemize the Project's costs, some of which are denominated "transportation charges." In fact, these "transportation charges" reflect a host of costs the State incurs in providing Metropolitan with a supply of water, including the maintenance and upkeep of the infrastructure necessary to deliver the Project water to Metropolitan. But Metropolitan takes advantage of this nomenclature and disingenuously asserts that the *State Water Project's* "transportation" costs should be considered costs

Metropolitan incurs in transporting third party water through *Metropolitan's* own system. That is not only illogical and inconsistent with the plain text of the billing statement and Metropolitan's contract with the State; it is unlawful under both the Wheeling Statutes and Proposition 26.

1. Wheeling Customers Do Not Cause Metropolitan To Incur State Water Project Costs.

The Wheeling Statutes limit "fair compensation" to the reasonable costs "incurred by the owner of the conveyance system . . . for the use of the conveyance system." (Wat. Code, § 1811, subd. (c); see [*id.* § 1810].) That is, the costs "occasioned, caused, or brought about by the use of the conveyance system." (*Imperial Irrigation*, 80 Cal.App.4th at 1431, internal quotation marks omitted.) But Metropolitan's payments to the Department of Water Resources are not caused by or attributable to Metropolitan's transportation of water purchased elsewhere; they are quintessential supply costs.

The State Water Project "transportation charges" that Metropolitan imposes on its wheeling customers are based on "the portion of the [Project's conveyance] System required to deliver [Metropolitan's maximum annual] entitlements" of *Project* water to Metropolitan. (Opn. at p. 6 [quoting *Goodman*, *supra*, 140 Cal.App.3d at 903-904].) In other words, the "transportation" costs at issue here are costs *the State* incurs to transport Metropolitan's supply of Project water for resale down *the State's* California Aqueduct to Metropolitan's service area. The State passes those costs on to Metropolitan, and Metropolitan may reasonably pass them on to customers who purchase a supply of water (including Project water) from Metropolitan. But Metropolitan may not pass those costs on to customers

who seek to transport *their own supply of non-Project water* along Metropolitan's aqueduct and pipes.

A simple analogy illustrates the point. A florist might pay for exotic lilies to be shipped in to her store from distant shores, and might also pay a delivery person to deliver bouquets to her customers. Both costs are, in some sense, related to transportation. But if a customer walks into the shop and agrees to cover the florist's transportation costs if she will arrange for the delivery of a bouquet of wildflowers he has picked for his sweetheart, the florist may reasonably charge that customer for a share of the delivery person's salary, *not* for a share of the shipping fees she pays to obtain a supply of lilies. So too here: Metropolitan may reasonably pass on to its wheeling customers those costs Metropolitan incurs in transporting water over Metropolitan's own aqueduct and pipes. Metropolitan may *not* pass on State Water Project "transportation charges" Metropolitan incurs in order to obtain a supply of Project Water.

2. The State Water Project's Facilities Are Not Part Of Metropolitan's System.

In an effort to supply the missing links in the cost-causation chain, the Court of Appeal invoked the so-called "postage stamp" principle that the owner of a conveyance system may include system-wide costs in its transportation rates. (Opn. at pp. 21-22.) In other words, the owner may recover the costs of its entire transportation system, "including portions not used in a particular transaction." (*Imperial Irrigation*, 80 Cal.App.4th at 1427; see [*id.* at 1428-1430]; *supra* p. 8.) But that principle does not apply

here for a simple reason: Metropolitan's transportation system does not include the State Water Project's facilities in either form or substance.⁶

To start, there can be no serious dispute that Metropolitan does not own the State Water Project system. Metropolitan's contract with the Department of Water Resources expressly vests title to Project facilities in the State, and this Court has rejected the contention that paying for the Project rendered its participating agencies part owners. (See *Metropolitan Water Dist. v. Marquardt* (1963), 59 Cal.2d 159, 201-202.) The Court of Appeal dismissed that as irrelevant. (Opn. at p. 27.) But the compensation authorized under the Wheeling Statutes is for "reasonable charges incurred by the owner of the conveyance system . . . for the use of the conveyance system." (Wat. Code, § 1811, subd. (c). emphases added.) The Court of Appeal was not free to disregard that statutory limitation.

Nor is the State's conveyance system otherwise a "part" of Metropolitan's. The Court of Appeal emphasized that the "transportation charge is designed to return to the state those costs of the project transportation facilities necessary to deliver water to the contractor." (Opn. at p. 22, emphasis omitted.) And the court observed that "[Metropolitan] and other project contractors, not the state" must "pay all costs for building, operating, and maintaining the project's water conveyance structures." (*Id.* at p. 23.) But *every* financially sound business sets prices at a level designed to recover overhead and other costs. Metropolitan itself is required by statute to charge enough to recover its costs fully. (*Id.* at p. 11

⁶ It bears emphasizing that the court of appeal decision holding that the Wheeling Statutes "do not as a matter of law preclude under any and all circumstances including system-wide costs in a wheeling rate calculation," (*Imperial Irrigation, supra*, 80 Cal.App.4th at 1428) was never affirmed by this Court and predates the passage of Proposition 26 by nearly a decade.

[citing Wat. Code—Appen., § 109-134]). That does not make Metropolitan's customers part owners of its aqueducts and reservoirs, nor does Metropolitan's payment of the "transportation charges" make it part owner of the State's infrastructure.

3. The Right To Wheel Non-Project Water Is At Most An Incidental Benefit Of Metropolitan's Participation In The State Water Project.

The Court of Appeal also placed significant weight on the fact that Metropolitan's contract with the State entitles Metropolitan to wheel non-Project water over the State's system. In the Court of Appeal's view, that makes the Metropolitan-owned aqueducts and pipes part of one integrated conveyance system that also includes the State Water Project's transportation facilities. As an initial matter, Metropolitan's contractual right to use the State's facilities does not make Metropolitan the "owner" of those facilities for purposes of the Wheeling Statutes. (Wat. Code, § 1811, subd. (c); see [*Marquardt*, 59 Cal.2d at 201-202].) But even if that were not dispositive, Proposition 26 bars Metropolitan from characterizing *the entirety* of the State Water Project "transportation charges" as costs that Metropolitan incurs in transporting third party water.

Proposition 26 requires agencies to allocate the costs of providing a service in a manner that "bear[s] a fair or reasonable relationship to the payor's burdens on, or benefits received from, the [agency's] activity." (Cal. Const., art. XIII C, § 1; see [*Newhall*, 243 Cal.App.4th at 1441].) This basic requirement of proportionality forbids forcing wheeling customers to share the total cost of buying a supply of water from the State Water Project on the theory that they might occasionally take advantage of what is essentially a fringe benefit Metropolitan obtains when it purchases water

from the State. That is especially true for wheeling customers, like the Water Authority, whose wheeled water originates on the Colorado River and is transported not through the State Water Project's facilities, but through Metropolitan's own Colorado River Aqueduct.

Again, the Project's "transportation charges" are based on "the portion of the [Project's conveyance] System required to deliver [Metropolitan's] entitlements" of *Project* water to Metropolitan. (Opn. at 6 [quoting *Goodman, supra*, 140 Cal.App.3d at 903-904].) The charges are not intended to recover the costs of "the portion of the System required to deliver" *non-Project* water. (*Ibid.*) Even if some small portion of these "transportation charges" accounts for the costs associated with wheeling non-Project water, that cannot possibly justify characterizing 100% of the State's "transportation charges" as costs incurred by Metropolitan in wheeling water—the key point noted by the Superior Court. (Statement of Dec. at p.65.) Yet that is just what the Court of Appeal's decision approves.

Proposition 26 places the burden of proving compliance with its proportionality requirement squarely on the agency. (Cal. Const., art. XIIIIC, § 1; *Palmdale*, 198 Cal. App. 4th at 937 [rejecting rates because the utility had not met its burden of "showing" that its rates reflected the costs of its services].) And, as the Water Authority pointed out in its petition for rehearing, Metropolitan did not even bother to break out the proportion of the State "transportation charges" that cover the costs of delivering water to Metropolitan, as opposed to the proportion of the charge that covers Metropolitan's use of State facilities to wheel non-Project water. (2 Respondent's Appendix ("RA") 385; see [Reh'g Pet. at p.34].) The Superior Court was therefore justified in invalidating Metropolitan's

transportation rate altogether, even as it recognized that Metropolitan might be able to justify including something less than 100 percent of its State Water Project “transportation charges” in its transportation rates—something Metropolitan made no attempt to do. (See [Statement of Dec. at pp. 53,65].)

Nor would the Superior Court’s decision result in a windfall to the Water Authority or other wheeling customers. Even the Court of Appeal acknowledged that Metropolitan uses the State’s facilities “chiefly” to “receive” water, not to transport it. (Opn. at p. 23.) And the Superior Court noted that most of Metropolitan’s use of the State’s system for transport of non-Project water involved “water sold by Met to its member agencies, *not wheeled water*.” (See [Statement of Dec. at p. 55.]) It is hardly inequitable to forgo charging wheeling customers for the cost of using State Water Project facilities they rarely—if ever—employ.

In any event, the Water Authority *already pays* for the right to transport non-Project water over the State Water Project facilities because it is also a full service customer of Metropolitan—the largest of Metropolitan’s twenty-six members. When Metropolitan passes on its Project “transportation charges” to its full service customers, it necessarily passes on any portion of that charge that covers Metropolitan’s right to transport non-Project water over the Project’s conveyance system. It is particularly unreasonable to make the Water Authority pay for that benefit as part of its full-service water purchases, and then to force it to pay *hundreds of millions* of dollars more under the Exchange Agreement ostensibly to obtain precisely the same benefit.

B. At A Minimum, The Court Of Appeal Erred In Ignoring The Requirement To Ensure That The Wheeling Rate Accounts For The Benefit Of The Exchange Agreement To Metropolitan.

Even if this Court found that the Court of Appeal was justified in permitting Metropolitan to charge a wheeling rate that includes a majority of Metropolitan's State Water Project supply costs, this Court's intervention is still urgently needed. The Wheeling Statutes oblige Metropolitan to give the Water Authority "reasonable credit for any offsetting benefits for the use of [its] conveyance system" in its wheeling rate. (Wat. Code, § 1811, subd. (c).) The evidence at trial showed that Metropolitan violated even this requirement. (See [26-AA-7333-34].) But because the Superior Court invalidated Metropolitan's transportation rates on other grounds, it never reached the issue.

By reversing in part, the Court of Appeal made it essential for the Superior Court to decide this unreachd issue on remand. (See [Reh'g Pet. at pp.37-40].) If Metropolitan is permitted to charge its existing transportation rates, then the Water Authority is entitled to credit for the costs it saved Metropolitan through the exchange transaction. The evidence at trial showed that these benefits totaled *over \$160 million* during the four years in question—an amount that would very significantly affect the Water Authority's damages for Metropolitan's breach of the Exchange Agreement. (See, e.g. [32-AA-91110-13].) Yet the Court of Appeal did not address offsetting benefits or direct the Superior Court to calculate them on remand. And it refused to clarify its decision on that point in response to the Water Authority's petition for rehearing. If the Superior Court were to misinterpret the Court of Appeal's silence to bar it from giving the Water Authority the credit it is due, the result would be manifestly unjust.

CONCLUSION

The Court of Appeal's decision fundamentally misunderstands the cost-causation and proportionality requirements enshrined in California's Constitution, statutes, and common law. If allowed to stand, the court's decision permits Metropolitan to charge an inflated wheeling rate that will dissuade entities from developing and conserving new sources of water within Southern California, frustrating key state policies with respect to water management. It will also erode bedrock limits on the power of government to impose fees and charges on ordinary Californians. In light of the compelling importance of these issues, the Water Authority respectfully requests that this Court grant review.

Dated: July 31, 2017

HOGAN LOVELLS US LLP

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Neal Kumar Katyal
(pro hac vice application pending)

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CERTIFICATE OF WORD COUNT

The undersigned counsel certifies that pursuant to California Rule of Court 8.504(d)(1)-(2) of the California Rules of Court, the text of this Petition for Review was produced using 13 point Times New Roman type and contains 8,348 words. Counsel relies on the word count of the computer program (Microsoft Word 2010) used to prepare this brief.

Dated: July 31, 2017

John W. Keker /wb
John W. Keker

ADVISORY COMMISSION UPDATES

SOLANO COUNTY WATER AGENCY



SOLANO WATER ADVISORY COMMISSION

Meeting Announcement

DATE: Wednesday, July 26, 2017
TIME: 12:30 – 2:00 PM
PLACE: SCWA Office – Engineering Conference Room
810 Vaca Valley Parkway, Suite 203
Vacaville, CA 95688

AGENDA

1. Minutes of March 22, April 26, and May 24, 2017 meetings
2. SCWA General Manager's Report
 - a. North Bay Aqueduct
 - b. Solano Project
 - c. Bay Delta Planning Issues
 - d. Flood Management Issues
 - e. Other Regional and State Issues
3. Groundwater Planning Update
4. Solano County Report
5. PSC/NBA Maintenance
6. Solano Water Authority Report
7. Water Conservation Report
8. Legislative/Initiative/Court Decision Issues (Not Discussed Above)
9. New Business
10. Public Comments

NEXT MEETING: Wednesday August 23, 2017.

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**Solano Water Advisory Commission
Meeting Minutes
March 22, 2017**

Present: Roland Sanford, Chris Lee, Alex Rabidoux and Jeff Barich, Solano County Water Agency; Felix Riesenberger, Fairfield; Royce Cunningham, Steve Sawyer, Shawn Cunningham, Justen Cole, Vacaville; Stuart Cole, Vallejo; Christian Di Renzo and Leo Larkin, Benicia; Ron Anderson, Suisun City; Paul Fuchslin, SID; Jim Christensen, Travis AFB; Jack Caldwell, California Water Service (Dixon); Misty Kaltreider, Solano County; and Rick Wood.

The meeting was called to order at 11:28 AM.

1. Approval of Minutes

The minutes of the February 22, 2017 meeting were approved.

2. SCWA General Manager's Report

For Flood Management, Roland informed the Commission that the Board would like the Agency more involved in flood control issues. A total of 1-2 facilitated workshops are being planned for mid-May, to define the Agency's role in flood control. To accommodate the workshops, the May Board meeting will likely be cancelled. Roland then invited Shawn Cunningham, City of Vacaville, to discuss a potential flood project, the Alamo Creek Detention Basin.

Shawn informed the Commission that Vacaville has a historical flood issue. In 2005/2006, a total of 900 homes were damaged and \$25M of public and private property was damaged from flooding. In 2008 the Ulati Flood Study was completed, to evaluate what solutions could be done to minimize future flood impacts. The study recommend a total of 3 large detention basins (Alamo Creek, Encinosa and Laguna Detention Basins). The City completed the Encinosa Detention Basin with financial assistance of \$3.5M from the Water Agency. For the Alamo Creek Detention Basin, the City has purchased the land and attempted 3-years of tribal negotiations to minimize cultural impacts to the Yocha Dehe tribe. Unfortunately, the City was not successful and FEMA rescinded approval and funding for the project. The City is now attempting to fund the project locally, but there is a \$5M project shortfall. The City is pursuing State and local funding, and has requested financial support from the Water Agency.

Roland informed the Commission that the Board is looking at revising the Flood Policy. However, input is needed from the Commission on what their recommendation would be to the Board. Rick Wood informed the Commission that the current flood policy funds large flood control projects up to 1/3. This cost-share amount was a compromise between water supply and flood control needs.

For the NBA, Roland informed the Commission that DWR will not likely reduce this year's allocation. However, next year may be artificially low so that repairs can be conducted on the Lake Oroville spillway. Construction repairs are expected to take 2-years. On other NBA issues, the 2-week shutdown concluded last week with no apparent issues.

For the Solano Project, the Agency is out to bid on the Suction Dredge Project. The purpose of this project is to implement new less intrusive methods to clean the Putah South Canal.

On Bay Delta Planning, Roland passed around ACWA's policy stance on the SWRCB's Bay Delta Plan. ACWA concludes that the SWRCB takes a draconian one-size fits all approach in managing the Bay Delta. Roland will be taking the ACWA policy to the Water Agency Board.

3. Groundwater Planning

Chris Lee gave a brief update on SGMA issues. Currently, the draft JPA language is being reviewed and staff will need to seek approval from their respective Boards or Councils. For Solano County, it appears that there will be 3 GSA regions, SID boundary, the County boundary, and a North Delta Group. The SWRCB also issued what their fees will be if the State takes over local groundwater management. Additionally, if a Basin is in probation public agencies will lose out on state grant funds and state loans. Chris reiterated that the next step is take the JPA language to the various Councils or Boards for approval.

4. Solano County Report

Misty informed the Commission that the County is heavily involved in the Delta Counties Coalition and Groundwater Planning.

5. PSC/NBA Maintenance

None

6. Solano Water Authority Report

None

7. Water Conservation

Several Commission members voiced concern about the State's Water Conservation mandate, which takes away local management and is severely impacting city revenue.

8. Legislative/Initiative/Court Decision Issues Not Discussed Above

None

9. New Business

None

10. Public Comments

None

The next meeting will be April 27, 2017 at 12:30 PM.

The meeting adjourned at 1:04 PM.

**Solano Water Advisory Commission
Meeting Minutes
April 26, 2017**

Present: Roland Sanford and Alex Rabidoux, Solano County Water Agency; Royce Cunningham, Steve Sawyer and Justen Cole, Vacaville; Michael Malone, Stuart Cole and Richard Wilson, Vallejo; Christian Di Renzo and Scott Rovanpera, Benicia; Jim Christensen, Travis AFB; and Talyon Sortor, FSSD.

The meeting was called to order at 12:30 PM, absent a quorum.

1. Approval of Minutes

The minutes of the March 22, 2017 meeting were deferred.

2. SCWA General Manager's Report

For the NBA, Roland informed the Commission that there is a 100% allocation for the SWP. The NBA AI project continues to be a low priority for the State, and completion of the NBA AI EIR is likely to be at the end of 2017 or longer. Last month, Roland and Wilson Public Affairs met with various Napa public officials about the NBA AI, and there did not appear to be strong knowledge or engagement on the NBA AI project. In moving forward on the NBA AI project, Roland reminded the Commission that some environmental features may need to be incorporated into the project, to receive any significant financial support.

For the Solano Project, flood waters are still being released. A significant amount of sediment has been deposited in lower Putah Creek from the high flows. The Agency also had to pull out a fish trap because of the flood flows. At Lake Berryessa, a large 75-ft houseboat arriving from Kentucky was flagged as being potentially infested with Eurasian Mussels. CDFW Rangers were called to flag the houseboat and support SCWA staff. Unfortunately, the CDFW Rangers were not incredibly helpful, and the outcome showed that there is a significant need for a local Napa County ordinance banning invasive Eurasian mussels. The Water Agency will be working with Napa and Solano County public officials to see if this can be addressed.

On Flood Management, Roland informed the Commission that he is still trying to work with the Board to setup a Flood Workshop. The purpose of the workshop will be to develop clear policy guidelines for future flood control projects.

3. Groundwater Planning

Roland Sanford and Royce Cunningham gave a brief update on the SGMA process. At the last City Council meeting, the City of Vacaville decided to form their own GSA. SID is continuing to do their own GSA as well. Solano County will be covering most of the remaining region within the Solano Sub basin. Moving forward, MOUs will need to be established between all of the neighboring GSA's.

4. Solano County Report

No County staff present.

5. PSC/NBA Maintenance

Alex Rabidoux informed the Commission of several PSC maintenance projects. Starting May 1-5 the three lowest siphons along the PSC will be inspected. Some of these siphons have never been inspected since the project was built. On canal cleaning activities, the Water Agency put out to bid a Suction Dredge Project to clean one-mile of the PSC. Only one bid was received at a cost of \$650K. Due to the high cost, the Agency is planning on dropping all bids, and reassessing the project. Lastly, as part of the Suction Dredge Project, the Agency conducted metals testing on the canal sludge material. The results showed that the Agency was close to reaching the Hazardous Waste limits for copper on the canal sludge. Several of the Commission members indicated that copper is a major issue for both the water and waste water treatment plants. The Commission recommending working with SID, to see if some pilot tests could be done on SID laterals to improve or eliminate the use of copper in the PSC.

6. Solano Water Authority Report

None

7. Water Conservation

None

8. Legislative/Initiative/Court Decision Issues Not Discussed Above

None

9. New Business

None

10. Public Comments

None

The next meeting will be May 24, 2017 at 12:30 PM.

The meeting adjourned at 1:55 PM.

SWAC Minutes.04-26-2017 (ID 215745)

**Solano Water Advisory Commission
Meeting Minutes
May 24, 2017**

Present: Roland Sanford, Thomas Pate and Alex Rabidoux, Solano County Water Agency; Felix Riesenbergh, Fairfield; Royce Cunningham, Steve Sawyer and Justen Cole, Vacaville; Stuart Cole, Vallejo; Kevin King, Solano Irrigation District; Jim Christensen, Travis AFB; Jack Caldwell, California Water Service (Dixon); and Talyon Sortor, FSSD.

The meeting was called to order at 12:35 PM, absent a quorum.

1. Approval of Minutes

The minutes of the March 22 & April 26, 2017 meetings were deferred.

2. SCWA General Manager's Report

For the NBA, Roland informed the Commission that DWR is heavily focused on Lake Oroville, and the NBA AI project continues to be a low priority. Completion of the NBA AI EIR will likely be mid-2018. Additionally, the NBA AI project will need to show greater environmental benefit to receive outside funding.

For the Solano Project, the flood releases have ended with about 250-TAF of water flowing down lower Putah Creek. Several of the restoration projects along Putah Creek appeared to have handled the flood flows well. A fish trap was deployed after the high flows, and continues to catch salmonids as part of the UCD fish study being funded by SCWA. For the June Board Meeting, approval of the final Programmatic EIR for Putah Creek will be on the agenda. Roland indicated that he expects there to be some project supporters and opponents in attendance at the upcoming Board Meeting.

On Flood Management, Roland informed the Commission that he is still trying to work with the Board to setup a Flood Workshop. The Commission also discussed the existing Flood Policy, and felt that considerable thought and effort had already been put into the policy, so there is no reason to change the existing Flood Policy.

Roland informed the Commission that the draft 2017-18 SCWA Budget will be drawing down the reserves by \$7-Million as requested by the Board to address a variety of planning efforts on Putah Creek, Cache Slough Yolo Bypass Complex, the NBA AI Project, Flood Issues, as well as countywide water demands. The SCWA Board has expressed concerns over the Water Agency having such a large reserve. The Commission recommended that SCWA should setup a loan program that could be used to fund local flood or water projects, while protecting the Agency's reserve, and providing a better rate of return.

3. Groundwater Planning

For the SGMA process, the cities of Rio Vista and Dixon will be joining the County as part of the regional plan. The City of Vacaville and SID will be forming their own Basin Plans respectively. June 8th will be the first meeting of the new Solano County regional JPA.

4. Solano County Report

No County staff present.

5. PSC/NBA Maintenance

During the months of June and July, a total of three PG&E outages are scheduled for the NBA. The Napa NBA users have expressed concern, primarily with the outage just prior to the July 4th holiday. All of the NBA users will be informed of any changes to the outage schedule. On the PSC, the three lower siphons (Rockville, Mangels, and Green Valley) were inspected, and were all clean with the exception of some coarse material in the Mangels Siphon. Once the inspection report is finalized, the Agency will likely schedule cleaning of the Mangels Siphon. For the PSC Suction Dredge project, the Agency is recommending to the Board to reject all bids, as the sole bid received, came in considerably over budget. Lastly, the City of Vacaville expressed some concern with elevated turbidity levels in the PSC.

6. Solano Water Authority Report

None

7. Water Conservation

None

8. Legislative/Initiative/Court Decision Issues Not Discussed Above

On proposed legislation, there are some concerns on the Freeman bill, primarily dealing with the state "stepping-in" if certain conditions are not met. On the public goods charge, there was strong opposition from the Advisory Commission.

9. New Business

None

10. Public Comments

None

The next meeting will be June 28, 2017 at 12:30 PM.

The meeting adjourned at 1:55 PM.

SWAC Minutes.05-24-2017 (ID 216539)