



Meeting Minutes

Meeting of the California Water Commission
Wednesday, July 15, 2020
Remote Meeting
Beginning at 9:30 a.m.

1. Call to Order

Chairman Quintero called the meeting to order at 9:30 a.m.

2. Roll Call

Executive Secretary Kimberly Muljat called the roll. Commission members Teresa Alvarado, Carol Baker, Daniel Curtin, Armando Quintero, and Matt Swanson were present, constituting a quorum.

3. Closed Session

The Commission did not hold a closed session.

4. Approval of May 20, 2020 Meeting Minutes

Commissioner Baker moved to approve the May 20, 2020, meeting minutes. All Commissioners present voted in favor.

5. Executive Officer's Report

Executive Officer Joe Yun reported that staff designed a four-page informational sheet titled Ecosystem Benefits and How Pulse Flow Works that is available on the [Commission's website](#). As a result of the economic downturn from COVID-19, non-essential travel has been prohibited for State employees. The Commission will continue to use the online platform to conduct meetings. Staff will also be looking for ways to reduce the budget in fiscal year 2021-2022. The Department of Water Resources (DWR) announced \$83.9 million in Integrated grants for local and regional resilience projects. The money comes from Proposition 1, Chapter 7, which is not related to the Water Storage Investment Program (WSIP). Mr. Yun stated that staff is continuing to prepare for the Commission's future work assessing the State's role in financing conveyance, pending the release of the Governor's final Water Resilience Portfolio. The Commission has hired a new Assistant Executive Officer, who will start at the end of July.

Commissioner Alvarado inquired when the Commission will hear about State Water Project efforts to improve habitats for endangered species in the Delta. Mr. Yun stated that presentation will occur during the fall.

6. Commission Member Reports

There were no reports.

7. Public Testimony

Barry Fitzgerald, a California resident, discussed rainwater catchment and believes the Commission should take interest in the matter.

8. Action Item: Potential Modifications to Water Storage Investment Program

Amy Young, WSIP Program Manager, presented an overview of potential modifications to the WSIP and provided an update on each project. Ms. Young provided an overview of the eligibility requirements applicants must complete prior to January 1, 2022, the requirements to receive a final award, and the status of each project. In May, the Commission received a letter signed by applicants representing six of the WSIP projects, suggesting ways to assist applicants due to the economic hardships caused by COVID-19. The suggestions fall into three categories: funding agreement flexibility, regulatory changes, and statutory change. Ms. Young outlined each proposed change and staff's recommendations. Some requests, such as releasing withheld funds, can be handled on a case-by-case by staff through the existing funding agreement. The requests to provide another opportunity to receive early funding, increase the early funding cap from 5% to 10% of the Maximum Conditional Eligibility Determination (MCED), and extend the reimbursement window from August 2017 back to November 2014 would require changes to the WSIP regulations. The request for a day-to-day extension of the January 1, 2022 eligibility deadline would require a statutory change to Proposition 1, which would be difficult. If the Commission decides to implement any of the changes, it will direct staff to begin the change process but does not guarantee the outcome. Ms. Young presented a table highlighting the requested changes and possible outcomes.

Commissioner Alvarado noted that staff recommended pursuing an emergency regulation if the Commission decides to add another early funding opportunity and asked if it is possible to try for an emergency regulation and a regular regulation at the same time, in the event the emergency regulation is denied. Holly Stout, Commission Counsel, stated that it would be better to pursue the emergency regulation and pursue a regular rulemaking if it fails, which could be accomplished quickly. Commissioner Swanson asked for clarification on how many applicants received early funding previously. Ms. Young said that three applicants have early funding agreements for 5% of their MCED. Commissioner Baker asked if the criteria for a new early funding opportunity would be the same as the current regulations. Ms. Young stated that a new early funding opportunity would be subject to the same criteria and decision making process that was used for the previous early funding.

The Commission took public comments. Eric Averett, General Manager for Rosedale-Rio Bravo Water Storage District, discussed progress on the Kern Fan Groundwater Storage Project and stated that the applicants support each of the requested changes but are particularly interested in another opportunity for early funding. Regina Chichizola, with the Pacific Coast Federation of Fishermen's Associations and Save California Salmon, supported staff recommendations to deny requested changes to the regulations and expressed concern about the ecosystem impacts of the Sites Project and Temperance Flat Reservoir Project. Ronald Stork, with Friends of the River, stated that the changes appear to be unnecessary because projects are on track to meet the January 1, 2022 deadline, the benefits of a second early funding opportunity seem minimal, and he agrees with staff recommendations with the exception of the deferral.

Brandon Dawson, with Sierra Club California, encouraged the Commission to reject most of the requested modifications as funds could be stranded or not provide public benefits. Rachel Zwillinger, with Defenders of Wildlife, said they do not oppose the request to provide another early funding opportunity, but emphasized the importance of any regulatory change being narrowly crafted to achieve that specific goal and that projects should still need to meet the same requirements to receive funding. Jerry Brown, Executive Director of the Sites Project, expressed his appreciation to staff for their attention and work and hopes that flexibility is maintained to continue progress on the projects.

Commissioner Alvarado moved to change the WSIP regulations to allow applicants that have not received early funding the opportunity to request early funding. Commissioner Baker seconded the motion. Commissioner Curtin emphasized that new early funding requests should be considered with an eye to moving projects forward to construction. All Commissioners present voted in favor.

Commissioner Alvarado moved to direct staff to pursue emergency regulations to make the approved regulatory change. Commissioner Baker seconded the motion. All Commissioners present voted in favor.

Commissioner Quintero entertained a motion to change the early funding cap from 5 percent to 10 percent of a project's MCED. No motion was made.

Commissioner Quintero entertained a motion to change the early funding reimbursable date from August 2017 to November 2014. No motion was made.

Commissioner Quintero entertained a motion to approve staff evaluating possible extensions on a day-for-day basis to certain statutory deadlines. No motion was made.

9. Consideration of Items for Next California Water Commission Meeting

Agenda items at the next meeting will include an update on the WSIP modifications that were approved, a briefing from DWR's Hydropower License Planning and Compliance Office on the progress of the State Water Project's southern power facilities relicensing efforts, and a discussion of the Governor's Water Resilience Portfolio and related Commission actions.

10. Adjourn

The Commission adjourned at 11:10 a.m.