

SAN JUAN WATER DISTRICT

Board of Director's Board Meeting Minutes

July 16, 2025 – 6:30 p.m.

BOARD OF DIRECTORS

Ted Costa	President
Mike McRae	Vice President
Dan Rich	Director
Pam Tobin	Director
Manuel Zamorano	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Director of Operations
Andrew Pierson	Director of Engineering
Adam Larsen	Field Services Manager
Devon Barrett	Customer Service Manager
Mike Spencer	Water Treatment Plant Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant
Ryan Jones	General Counsel
Michael Colantuono	Special Legal Counsel

OTHER ATTENDEES

Adam Vasquez	
Brian	
Caller 09	
Charles Biegel	
Daniel	
DD	
Elizabeth	
George Machado	
Lanie Paquin	
Meera Deshmane	
Jed Thorne	SJWD Employee
Mark Hargrove	SJWD Employee
Entela Fallstead	SJWD Employee

AGENDA ITEMS

- I. Roll Call**
- II. Public Forum and Comments**
- III. Consent Calendar**
- IV. Public Hearing**
- V. Discussion and Action Items**
- VI. Information Items**
- VII. Directors' Reports**
- VIII. Future Agenda Items**

- IX. Committee Meetings**
- X. Upcoming Events**
- XI. Closed Session**
- XII. Open Session**
- XIII. Adjourn**

Vice President McRae requested that Agenda Item V-5 be discussed prior to V-4 so that an update on the Rate Analysis process can be given prior to the Retail Rates being discussed and possibly adopted. GM Helliker informed the Board that he put the items in this order since the Board requested staff to analyze certain elements of the retail rates and bring back the rates to the Board prior to the long-term analysis. Vice President McRae stated that prior to adopting rates, the Board should revisit the reason why the Board did not adopt the rate increase at the last meeting. President Costa stated that during discussion on item V-4, he expects that V-5 items will be discussed.

I. ROLL CALL

The Board Secretary took a roll call of the Board. The following directors were present in the Boardroom: Ted Costa, Mike McRae, Dan Rich, Pam Tobin, and Manuel Zamorano.

II. PUBLIC FORUM

Ms. Meera Deshmane submitted a petition for amendments to meeting minutes of June 11, June 12 and July 8, 2025. In addition, she requested that her presentation be attached to the meeting minutes. President Costa informed her that the motion to accept the minutes could include attaching her documentation.

III. CONSENT CALENDAR

All items under the Consent Calendar are considered to be routine and are approved by one motion. There was no separate discussion of these items unless a member of the Board, audience, or staff requested a specific item removed. Consent Calendar item documents are available for review in the Board packet.

1. Minutes of the Board of Directors Special Meeting, June 11, 2025 (W & R)

Recommendation: Approve draft minutes

2. Minutes of the Board of Directors Meeting, June 12, 2025 (W & R)

Recommendation: Approve draft minutes

3. 2025 Urban Water Management Plan Update (W & R)/CVPIA Water Management Plan (W)

Recommendation: Authorize the General Manager to contract with Zanjero for completion of the District's state mandated 2025 Urban Water Management Plan updates and CVPIA Water Management Plan

Director Tobin requested that Consent Calendar items 1 and 2 be removed for discussion.

Director Rich moved to approve the Consent Calendar item 3. Director Zamorano seconded the motion and it carried unanimously.

In response to Vice President McRae's question regarding Consent Calendar item 3, GM Helliker explained that the Urban Water Management Report is more than just updating information in an existing report that staff could complete. GM Helliker explained that the consultant creates a new report by collecting the data from the last five years along with adhering to DWR requirements which may have changed since the last report.

Director Tobin reviewed her written statement regarding "Corrections to June 11–12 Meeting Minutes".

Director Tobin moved to approve the Consent Calendar items 1 and 2 with the attachments. Director McRae seconded the motion.

Director Rich voiced concern that Director Tobin's attachment is her opinion and not that of the full Board. Legal Counsel Jones explained that if the motion stands then Director Tobin's attachment would be considered a correction to the minutes; however, if the motion was amended to clarify that the attachment is from one Board member then the minutes would be accepted as written with the attachments from the Board member and Ms. Deshmane. GM Helliker pointed out that items 3, 4 and 5 of Director Tobin's attachment are actions taken after the June 11 and 12 Board meetings and should not be part of the minutes since they were not discussed at either meeting.

Director Tobin moved to amend her motion to attach the documents to the June 11 and 12 Board meeting minutes and the July 8 Finance Committee meeting minutes.

Director Rich made a substitute motion to approve items 1 and 2 of the Consent Calendar. There was no second and the substitute motion failed.

Ms. Deshmane stated that meeting minutes are supposed to provide a summary of what was discussed and what was decided at the meeting and feels that the attachments should be in the minutes when those items were discussed. Legal Counsel Jones commented that minutes only need to contain the action of the Board showing the motion and vote count, known as action minutes. Ms. Silva reiterated that the law requires the minutes to reflect the actual decisions of the Board and does not require the District to capture the discussion, and anything beyond that is at the discretion of the governing body. GM Helliker concurred that the approach has been to complete summary minutes that are not verbatim.

Director Tobin moved to amend her motion to approve the Board meeting minutes of June 11 and June 12, 2025, and include Director Tobin's items 1 and 2 comments and Ms. Deshmane's petition as attachments only to the minutes, then include Director Tobin's items 3, 4 and 5 comments as an

attachment to the July 8th Finance Committee meeting minutes. Vice President McRae seconded the motion and it carried unanimously.

IV. PUBLIC HEARING

1. 2025 Public Health Goal (PHG) Report – Adam Larsen

President Costa opened hearing at 6:58 p.m.

Ms. Grant, SJWD Board Secretary, confirmed that the hearing was properly noticed as required by law. GM Helliker reported that no comment letters were received.

Mr. Larsen conducted a brief presentation on the 2025 Public Health Goal (PHG) Report. He informed the Board that the District is required to report every three years and is informational only. He reported that the system meets all the state and federal drinking water standards; however, there were two constituents detected slightly above health-based goals. He explained that both positive events were caused from sampler error.

President Costa opened the floor for public comment and there were no public comments made.

President Costa closed the Public Hearing at 7:04 p.m.

V. DISCUSSION AND ACTION ITEMS

1. FY 2024-25 Operations Plan Report Card (W & R)

GM Helliker provided the 4th quarter progress on the FY 2024-25 Operations Plan Report Card. He reported that, overall, the District succeeded in meeting the goals and objectives for the fiscal year with a few items being delayed.

2. FY 2025-26 Operations Plan (W & R)

GM Helliker reviewed the FY 2025-26 Operations Plan, which was included in the Board packet. He explained that the Operations Plan shows some of the larger or more significant items to track for the current fiscal year, which is also tied into the budget. In addition, he explained that the items in the Operation Plan are reported on quarterly under the Operations Plan Report Card.

3. Kokila Reservoir Replacement Project (R)

3.1 Construction Contract

Mr. Pierson reviewed the staff report which was included in the Board packet.

Director Tobin moved to authorize the Director of Engineering Services to sign a construction contract with Gateway Pacific Contractors, Inc. for the construction of the Kokila Reservoir Replacement Project and to authorize the Director of Engineering

Services to sign a Professional Services Contract with JLR Environmental Consultants (JLR) for construction management and inspection services for the Kokila Reservoir Replacement Project. Director Zamorano seconded the motion and it carried with 4 Aye votes and 1 Abstain vote (Director Rich).

3.2 Construction Management and Inspection Services Contract

Mr. Pierson reviewed the staff report which was included in the Board packet. He explained the process for selecting the firm. In response to Vice President McRae's question, Ms. Silva informed the Board that the grant was awarded and the loan agreement is in process with SRF and once the draft agreement is received, then she will bring to the Board for approval. The action for this item was taken under the previous agenda item.

4. Retail Financial Plan Update and Proposed 4-Year Rate Schedule (R)

GM Helliker reviewed a staff report which was included in the Board packet. He reported that, at the June 12th Board meeting, the Board approved a motion to delay further discussion of the retail rates until after further analysis was completed. He stated that further analysis has been completed which included looking at a differential rate for the gravity zone and the pumped zone and looking at the hydraulic capacity factor that is used for single family residential customers along with completing an inventory of the ¾" and 1" meters, all of which serve single family residential customers. In addition, he mentioned that the \$5.2 million for the retail groundwater production facility, and the related debt issuance, were removed from the budget and the proposed retail rate structure, per direction of the Board.

GM Helliker introduced Mr. Michael Colantuono, who was retained as an expert on Prop. 218 and water rates. In response to Director Tobin's question, Legal Counsel Jones informed the Board that the General Manager has authority to hire consultants up to his purchasing threshold of \$75,000. Mr. Colantuono provided a brief summary of his background working with Prop. 218 and water rates. GM Helliker pointed out that Mr. Colantuono provided staff with a memorandum on Legal Compliance of District's Current and Proposed Water Rates which was included in the Board packet.

Mr. Colantuono stated that the District rates are a fixed monthly charge, essentially based on meter size, and a single volumetric rate that applies to all water consumed. He concluded that both current and proposed rates comply with Proposition 218 and the District Board has discretion to adopt either of them. In addition, he did pose a question regarding pumps and gravity zones - if the District didn't maintain the pumps and move water through the system, could the District serve the gravity zone if some of those facilities went out, or does the District rely on the two systems to create interdependent reliability? In addition, he stated that since meters up to 1" are serving single-family residential, the likely water demand is the same. Therefore, most of the industry treats all of them the same because even though the theoretical capacity is greater the practical use is not. He further stated that many agencies collapse them all but you're not required to do so if you think there's a meaningful difference

between the District's three-quarters and five-eighths on the one hand and the one-inch and you want to make that distinction.

In response to Director McRae's question, Mr. Colantuono explained that the Board has the discretion whether to isolate large capital project costs to the perceived beneficiaries or to pool them; however, he encouraged the Board to think about what is called intergenerational equity, and he pointed out that by the end of the lifetime of most of the District's customers, what goes around comes around.

Ms. Deshmane addressed the Board and stated that without knowing the specifics of case law, it is hard to apply that case law to the current situation. She voiced concern regarding the meter sizes and gravity vs. pumping costs to the customers.

Mr. Mark Hildebrand conducted a presentation on the retail rates which was included in the Board packet. He explained with the removal of the groundwater production project which was going to be debt financed, the proposed 4-year rate increases are 1%, 2%, 2% and 2%. In response to Director Tobin's question, Mr. Hildebrand explained that should the Board approve the four-year rate increases, they could complete the rate analysis project then later change the rates, provided they follow the Prop. 218 requirements. Ms. Silva pointed out that the 1% rate increase would be effective starting July 1, 2025, then the first 2% rate increase would be effective January 1, 2026.

Mr. Hildebrand pointed out that the question regarding the 2% rate increase and the question about the rate structure are two totally different topics. He explained that the 2% rate increase has to do with how much the District needs for capital spending and operating costs, which was already approved by the Board, and is needed no matter if the rate structure is changed. He explained that the rate structure will decide the cost responsibility.

Mr. Hildebrand reviewed some alternative rate schedules. Ms. Silva explained that the data that the District has on meters is known to be inaccurate; therefore, staff tried to validate the meter information via the meter manufacturer but was unable to do so for all of the meters due to their age and the manufacturer's lack of data. Therefore, the proposed information is an estimate until staff can confirm all the meter data. She further explained that once that is done, the information is good only for that moment in time, and once a meter is changed or there is a new customer, the information changes and data will be inaccurate. She pointed out that the entire financial plan is built upon reasonable estimates – estimates about expenses, inflation, revenue needs, cost of large construction projects, etc. GM Helliker stated that there is one number used for single-family residences because the cost of service to each of them is similar and not dependent on the size of the meter for the benefit that the customer receives.

Mr. Hildebrand explained that the math is irrelevant because the point is not the fairness between the meters, since they behave very similarly to each other, and the size of the meter is actually related to when the house was built. He pointed out that it is industry standard to treat customer classes (people who behave similarly) the

same and allocate costs to them as a group of customers who behave similarly. GM Helliker commented that all of the customer meters are eventually being replaced with 1” meters.

Mr. Charles Biegel addressed the Board and stated that the Board should be looking at two things – why the District’s costs are higher relative to neighboring agencies and why are fixed costs so high. President Costa explained that some of the lowest rate agencies are not repairing their infrastructure and San Juan has been striving to pay for projects without issuing debt while maintaining our infrastructure. Ms. Silva explained that it is difficult to compare one water agency’s rates against another because there are different situations to consider such as lot size, density, elevation, etc.

Ms. Deshmane addressed the Board and requested that the Board consider separating gravity-fed from the non-gravity zones so that gravity-fed customers are not paying more for the benefit of the non-gravity zones. In addition, she feels that it is unfair if all the 1” and under meters are grouped together. She further had concern regarding the number of days used to compute the first-year rate increase since it would be effective half the year and not the full year. She also reviewed a document that she provided the Board regarding weighted average and asked that it be attached to the minutes. Vice President McRae requested that the handout be attached to the minutes and President Costa concurred.

GM Helliker informed the Board that Resolution No. 25-10, that was included in the Board packet, was revised due to some errors which included the wrong table was in the resolution and the new one was added showing the 1%, 2%, 2% and 2% rate increases, and “parcels” was changed to “class”.

Director Rich moved to adopt Resolution No. 25-10, as revised, adopting a four-year schedule of retail water rates at increases of 1%, 2%, 2% and 2%. Director Zamorano seconded the motion.

In response to Vice President McRae’s question, GM Helliker confirmed that the existing Prop. 218 notice covers the proposed rate increases in the resolution. In addition, GM Helliker explained that the classes are the different meter sizes.

Vice President McRae voiced concern that there are two large projects that will benefit the retail pump zones and the cost is slated to be shared across all of the retail customers and not just the pump zone customers. He reviewed the resolution with the Board and voiced concern regarding the wording. In addition, he stated that a rate study roadmap is being created and will be brought to the full Board for approval to proceed with a detailed rate study. He noted that the June 12th Board meeting minutes reflect a Board action that Resolution 25-10 would be delayed until after a retail rate schedule analysis is performed and he believes that this rate schedule analysis has not been performed and the work that has been completed does not satisfy that Board action. Director Rich stated that there were two separate analyses being completed and the proposed rate increase was not supposed to be delayed until the full rate structure analysis was performed.

Vice President McRae proposed that the Board defer the Service Lateral Replacement Project for one year, and if there are any breaks then use operations revenue for those items, in order to buy time to complete the full rate study. Director Rich pointed out that this suggestion is different than the direction the Board gave staff, which included adoption of the CIP, and this would change the CIP.

The motion carried with 3 Aye votes and 2 No votes (Directors McRae and Tobin)

Director Tobin inquired if the District was still moving forward with the roadmap and President Costa confirmed that the District is still going to complete it.

5. Retail Rate Analysis Scope and Schedule (R)

Vice President McRae informed the Board that the Finance Committee met and discussed the retail rate analysis. He reported that the committee reviewed GM Helliker's summary and felt it was very broad and not specific. In addition, Vice President McRae noted that he provided the committee with a list of necessary components for the rate study.

Vice President McRae reported that Ms. Deshmane attended the meeting and recommended that the committee have a brainstorming meeting to identify and deliberate on the topics that will be recommended to the Board to be included in the analysis of various rate structures and invite the public to attend. In addition, the committee has talked about forming a customer rate payer committee that can regularly participate in the rate study process in order to gain customer feedback. GM Helliker suggested that the brainstorming meeting be noticed as a special Board meeting so that all Board members can participate and it will be scheduled for the end of July or early August.

Vice President McRae commented that he would like to look at property tax revenue and where it goes since 2% of property tax goes to the District. Ms. Silva clarified that property owners are charged 1% of their assessed valuation and that many agencies, including San Juan, receive a portion of that 1%. She will report back on what the percentage is. President Costa voiced concern regarding making any changes to the property tax revenue. GM Helliker commented that he recommends considering review of the allocation of property taxes and Ms. Silva is looking into some alternatives.

6. Conjunctive Use and Groundwater Banking Activities Update (W & R)

GM Helliker informed the Board that part of this topic will be discussed in Closed Session. President Costa reported that he received an email from RWA Executive Director, Jim Peifer, objecting to some language that was in the staff report for this agenda item. A copy of the email will be attached to the meeting minutes.

7. 2025 Hydrology and Operations Update (W & R)

No report.

VI. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

1.1 General Manager's Monthly Report (W & R)

GM Helliker provided the Board with a written report for June which was included in the Board packet.

1.2 Miscellaneous District Issues and Correspondence

No report.

2. DIRECTOR OF FINANCE AND HUMAN RESOURCES' REPORT

2.1 Miscellaneous District Issues and Correspondence

No report.

3. DIRECTOR OF OPERATIONS' REPORT

3.1 Miscellaneous District Issues and Correspondence

Mr. Barela reported that every three years the District participates with Placer County's Local Hazard Mitigation Plan. The District's Safety and Regulatory Compliance Coordinator, Sophanra Castanar, is working on this which includes public outreach. Mr. Barela directed the public to the District's website for additional information and encouraged public engagement during the development of the plan.

Mr. Barela commended the Field Services team for their work on the 15 retail service area leaks in June. The team took on the majority of the repairs since the budget for outside services for this type of work was running out at the end of June.

Mr. Barela introduced the new Water Treatment Plant Manager, Michael Spencer, who was promoted from Chief Operator.

4. DIRECTOR OF ENGINEERING SERVICES' REPORT

4.1 Miscellaneous District Issues and Correspondence

No report.

5. LEGAL COUNSEL'S REPORT

5.1 Legal Matters

No report.

VII. DIRECTORS' REPORTS

1. SACRAMENTO GROUNDWATER AUTHORITY (SGA)

No report.

2. REGIONAL WATER AUTHORITY (RWA)

GM Helliker reported that RWA discussed the two positions identified for salary increases.

3. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

3.1 ACWA - Pam Tobin

Director Tobin reviewed a written report which was added to the Board packet. She reported that the Executive Director recruitment is progressing.

3.2 Joint Powers Insurance Authority (JPIA) - Pam Tobin

Director Tobin reviewed a written report which was added to the Board packet.

4. OTHER REPORTS, CORRESPONDENCE, COMMENTS, IDEAS AND SUGGESTIONS

There were no other matters discussed.

VIII. FUTURE AGENDA ITEMS

1. Requests by Board Members for Agenda Items

Director Tobin requested that the ACWA Committee requests be included on the next agenda. GM Helliker commented that the Board does not have to act on the committee requests and noted that he emailed the Board asking for their requests to submit.

2. Meeting Date Changes and Board Attendance

Vice President McRae requested that the August Board meeting date be changed prior to August 18th. The Board discussed various dates and decided that Thursday, August 14th at 6:00 pm would work best. In addition, Mr. Barela mentioned that he will have an item that needs to go to the Engineering Committee or he could bring the item to the full Board. GM Helliker stated that there may be an Engineering Committee meeting, but staff will follow up later.

Director Tobin moved to change the August Board meeting to August 14, 2025. President Costa seconded and the motion carried unanimously.

The Board discussed the workshop for the retail rate roadmap and set the date for Tuesday, July 29, 2025, at 6:00 pm.

IX. COMMITTEE MEETINGS

1. Urban Water Management/Water Transfer Committee – July 8, 2025

The committee meeting minutes were included in the Board packet.

2. Finance Committee – July 8, 2025

The committee meeting minutes were included in the Board packet.

3. Engineering Committee – July 9, 2025

The committee meeting minutes were included in the Board packet.

X. UPCOMING EVENTS

1. 2025 ACWA Fall Conference

December 2-4, 2025
San Diego, CA

At 9:28 p.m., President Costa announced that the Board was adjourning to Closed Session and there were no public comments.

XI. CLOSED SESSION

1. PUBLIC EMPLOYMENT – GENERAL MANAGER

Pursuant to Government Code § 54954.5
Title: General Manager

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Section 54956.9)

Citrus Heights Water District, et al. vs. San Juan Water District, Case Number: 23WM000064, Sacramento County Superior Court

3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) (one case)

XII. OPEN SESSION

There was no reportable action.

XIII. ADJOURN

The meeting was adjourned at 10:30 p.m.

EDWARD J. "TED" COSTA, President
Board of Directors
San Juan Water District

ATTEST: _____
TERI GRANT, Board Secretary

SJWD Rates for Revenue = \$ 12,262,700

Meter size (inch)	Meter count	Meter Capacity in GPM	Total Flow GPM	Meter Capacity Ratio Factor	EQ 1-inch Meter count	Proportional Rates	EQ meters 38gpm, 0.75 factor	EQ meters 46 GPM 0.9240 Factor	Rate 38 GPM 0.75 Factor	Rate 46 GPM 0.9240 Factor
5/8	27	20	540	.4	11	\$ 1.22	8137 Note 1	10024	3.69*0.75= \$2.77 Note2	3.06*.92= \$2.82 Note 3
¾	2022	30	60660	.6	1213	\$ 1.83				
1	8800	50	440000	1	8800	\$ 3.06				
1 ½	125	100	12500	2	250	\$ 6.12	250	250	3.69*2= \$7.38	3.06*2
2	163	160	26080	3.2	522	\$ 9.79	522	522	3.69*3.2= \$11.81	3.06*3.2
3	24	300	7200	6	144	\$ 18.36	144	144	3.69*6 =\$22.14	3.06*6
4	3	500	1500	10	30	\$ 30.60	30	30	3.69*10 = \$36.91	3.06*10
6	1	1000	1000	20	20	\$ 61.20	20	20	3.69*20 = \$73.84	3.06*20
Total	11165		549480		10990		9102	10990		

Daily Rate for 1 inch meter= Revenue/ (total Eq Meters* 365) =12,262,700/10990= \$3.06, (7112799/10990=\$1.77)

Daily Rate for 1 inch meter= Revenue/ (total Eq Meters* 365) =12,262,700/9102- \$3.69

Daily Rate for <=1 inch meter= Revenue/ (total Eq Meters* 365) = \$3.69*0.75=\$ 2.77 (w/ 0.75)

Daily Rate for <=1 inch meter= Revenue/ (total Eq Meters* 365) = \$3.06*0.75=\$ 2.82 (w/ 0.92)

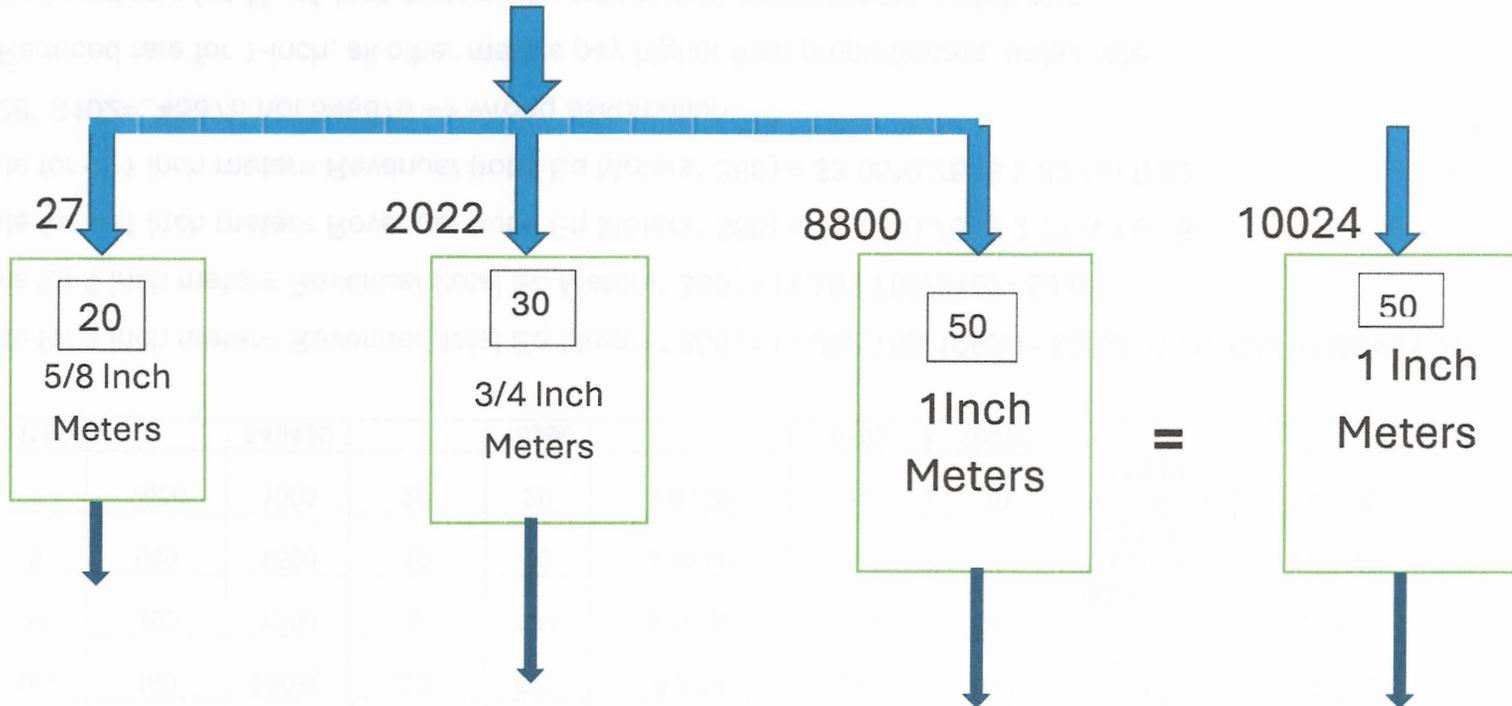
Note 1: 38* 9102=345876 not 549876 => wrong assumption

Note 2: Reduced rate for 1-inch, all other meters pay higher than proportionate, unfair rate ,

Note 3: Reduced rate for 1", <1-inch meters pay higher than proportionate, unfair rate.

The merging method imposes a favorable reduced rate for 1 inch and an unfair high rate on other sizes, not proportional to the meter's capacity.

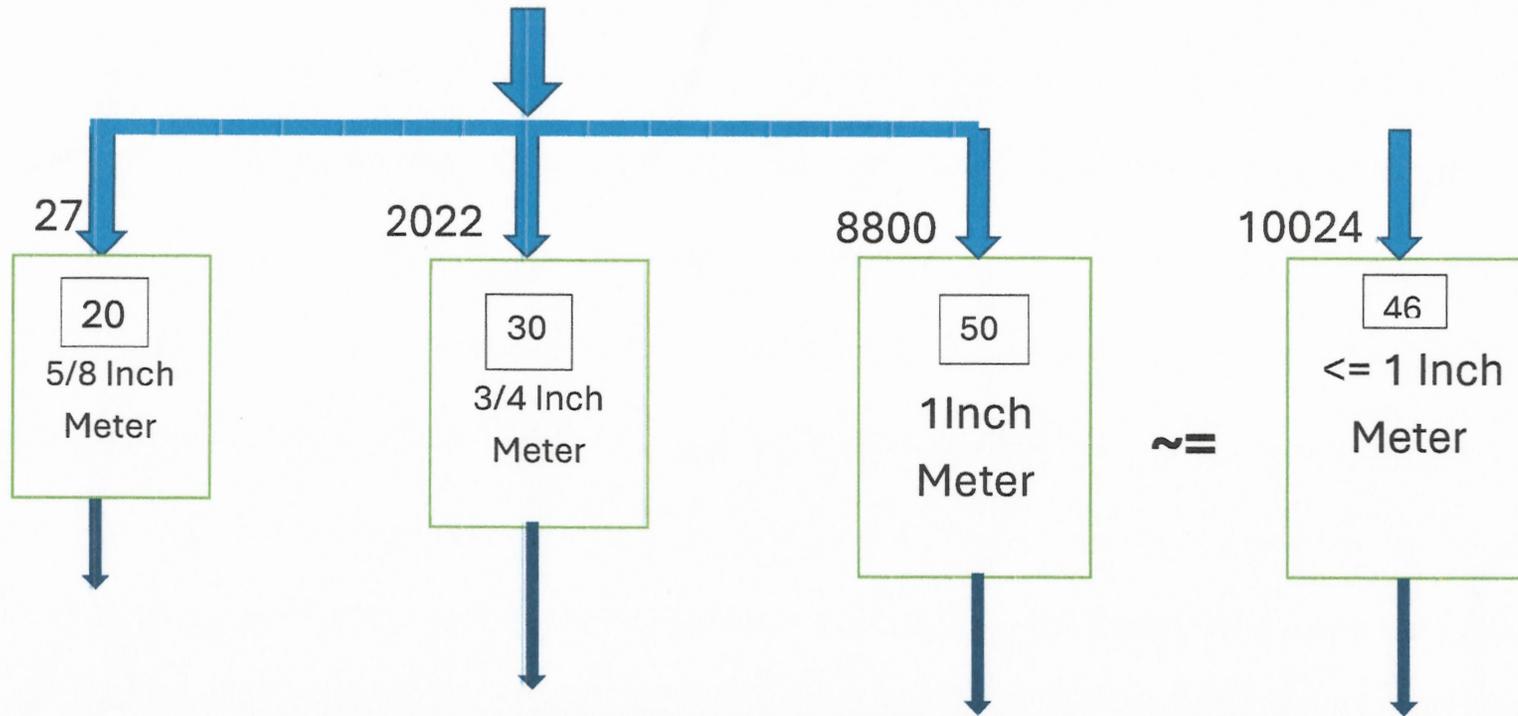
Effect of meter counts on weighted average



27 5/8 inch, 2022 3/4 inch, and 8800 1-inch capacity, $540 + 60660 + 440000 = 501200$ gpm, 10024 meters with 50gpm meter capacity, 10990 total EQ 1 inch meters

50gpm 1inch meter rate=\$3.06 => 30gpm 3/4 inch meter rate=\$3.06*(0.6) = \$1.83

Effect of meter counts on weighted average



27 5/8 inch, 2022 3/4 inch, and 8800 1-inch capacity, $540+60660+440000 = 501200$ gpm, weighted average of 46 gpm per meter capacity. $46/50=0.92$, $(\$3.06)*(0.92)=\2.82

2277 5/8 inch, 4500 3/4 inch, and 7313 1-inch capacity= $45550+90000+365650=501200$ gpm, weighted average of 42 gpm per meter capacity

4000 5/8 inch, 4500 3/4 inch, and 5724 1-inch capacity= $80000+135000+286200= 501200$ gpm, weighted average of 40 gpm per meter capacity

8353 5/8 inch, 5568 3/4 inch, and 3342 1-inch capacity- $167060+167040+167100 =501200$ gpm, weighted average of 29 gpm capacity. **For the same total capacity load, weighted average changes based on its distribution of different meter counts, and the weighted average is pulled toward the rate of the heaviest group. This can cause significant overcharging for some meters.**

Teri Grant

Subject: RE: Public Comment: Agenda Item V-6

From: Paul Helliker

Sent: Monday, July 14, 2025 1:51 PM

To: jpeifer@rwah2o.org; Ted Costa <tedcosta@tedcosta.com>

Cc: Greg Zlotnick <gzlotnick@sjwd.org>; Tom Gray <tgray@fowd.com>; Hilary Straus <hstraus@chwd.org>

Subject: Re: Public Comment: Agenda Item V-6

Jim – thanks for you comments on our monthly update to our Board of Directors. The section concerning the current modeling work is accurate – FOWD and CHWD are not part of the 5-agency group funding the effort. It is also accurate in noting that the Water Accounting Framework (WAF) adopted by the Sacramento Groundwater Authority does not apply to the Eastern Unit, as it does to the Central Unit, and as a result, neither CHWD nor FOWD have a balance in the WAF. Tom Gray has told me multiple times that FOWD opposed the implementation of the WAF in the Eastern Unit, which is a principal reason that it was never extended to the Eastern Unit (which is San Juan’s wholesale service area).

One part of that section of our Board update that you chose not to cite was the rest of that paragraph, which is:

“However, the groundwater elevations under their service areas have been steady or increasing over the past 20 years, and are well above the regulatory requirements (the Minimum Thresholds in the Groundwater Sustainability Plan), so there is no constraint on CHWD’s and FOWD’s use of the groundwater in their service areas for groundwater bank transactions, such as groundwater substitution transfers, production for use in their service areas, etc. We have been advocating that CHWD and FOWD should get some recognition for a starting balance.”

The advocacy mentioned in the last sentence consists of recommendations that we have made at Program Committee meetings, in meetings of SGA’s ad hoc committee, and with SGA Board members and staff.

The second paragraph in your message pertains to the attached email, rather than to any information in our staff report or in our Board packet. We have regularly provided comments on the proposed EIR and specifically on the project description, the most recent of which were provided in April, 2024, which is the last time we have seen a draft project description in the EIR. We have not received any specific response to the comments we provided and the questions we have raised about what action RWA needs to take concerning the water bank and why they would have any environmental impacts. If the \$720,000 or so in WIIN Act funding from Reclamation is not going to be provided to fund ongoing work on the EIR, we believe that it is time to re-evaluate the need for an EIR and to address the questions we have raised.

Paul

Subject:Public Comment: Agenda Item V-6

Date:Mon, 14 Jul 2025 19:46:24 +0000
From:Jim Peifer <jpeifer@rwah2o.ORG>
To:tedcosta <tedcosta@tedcosta.com>

Greetings Mr. Board President,

I write to request this public comment be made at the Board meeting and become part of the record.

It has been brought to my attention that a staff report has been submitted on Groundwater Banking Activities, and this item will be discussed by the San Juan Water District Board of Directors at its upcoming Board meeting. I want to point out what is a mischaracterization by the authors of the report. The second paragraph states “*CHWD and FOWD chose not to be part of this group in part because they had opposed the establishment of a water accounting framework for the eastern unit of SGA’s jurisdiction (which is San Juan’s wholesale service area), and thus have no balance in the SGA WAF to address.*” In no case has CHWD and FOWD opposed the establishment of a water accounting framework. Representatives from CHWD and FOWD have been extensively briefed on the efforts by the RWA to characterize previously banked water. The CHWD and FOWD representatives have sought solutions to potentially provide for previously banked water which would have the support from a majority of the Program Committee members. Some Program Committee members are still considering this request and are endeavoring to address this while ensuring the policy direction of the proposed water bank as outlined on the “Goals, Objectives, Principles and Constraints” document that was approved by the Program Committee.

One additional, related point that should be clarified: The program committee has agreed to prepare an Environmental Impact Report and has given direction to the RWA staff to prepare one. The committee is aware of San Juan Water District’s preferences on the preparation and release of an EIR, yet the majority of the members would like to have an EIR prepared and released for the project. This is a settled matter.

Thank you for your and the Board’s consideration of our comments.

Jim

Jim Peifer, Executive Director

Regional Water Authority/Sacramento Groundwater Authority
2295 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833
(916) 967-7692