

The motion passed by a vote of 11 ayes, 0 no, 0 abstain, and 4 absent.

3. CONSENT CALENDAR ITEMS – ACTION

None

4. OTHER BOARD ITEMS – ACTION

None

5. BOARD INFORMATION ITEMS

9-1 Subject: State Water Project Contract Extension Tentative Agreement in Principle

Presented by: Deven N. Upadhyay, Manager, Water Resource Management

Mr. Upadhyay provided an update report on the State Water Contract extension process. Metropolitan staff has been in discussions over the last year to extend the current contract terms beyond 2035. He reviewed the draft agreement and principles, some of the key issues including Metropolitan's financial commitments after 2035, contract extension terms, simplified billing methods, and Butte and Plumas County Water Districts' Objectives.

Director Quinonez entered the meeting at 10:40 a.m.

Staff responded to comments regarding Bay Delta Conservation Plan's (BDCP) financial participation in relationship to the contract negotiation process, Metropolitan's financial responsibilities for funding recreation enhancement components, State Water Contract - issued debt through Joint Powers Authority (JPA), distinguishing between the relicensing of Lake Oroville and the negotiations of this contract, and operating funding sources.

Director Lewinger agreed to submit a written inquiry to staff detailing his question on State Water Contract issued debt through JPA.

Jeff Kightlinger, General Manager, noted the complexity of resolving this financial issue and its billing practices that were structured in 1960, and he commented on the significant progress that staff has made in the contract negotiation process.

6. COMMITTEE ITEMS

a. Oral report on Water Surplus and Drought Management

Presented by: Jennifer Nevills, Sr. Resource Specialist, Resource Analysis Unit

Ms. Nevills' oral report described the 2014 water supplies and demands, hydrologic conditions, and next steps. She explained Metropolitan's 12-month rolling water demands, in-region water storage requirements and water storage draws. State Water Project 8-station index for March was at approximately 150 percent of normal precipitation for the month. Next steps include a report by staff on factors affecting the pumping operations and project storage use for the year.

Staff responded to comments regarding a plan for yearly storage draws and Castaic Lake Reservoir water storage levels.

7. MANAGEMENT REPORTS

- a. Subject: Bay Delta Matters
- Presented by Roger Patterson, Asst. General Manager, Strategic Water Initiatives

Mr. Patterson reported on Bay Delta-related issues including Delta pumping inflow operations and the resignation of Mr. Chris Knopp, Executive Director of the Delta Stewardship Council effective at the end of April. He also announced an upcoming meeting on BDCP Implementation, an upcoming workshop by the Delta Science Program and State Water Board that will focus on an update to the Water Quality Control Plan and in-Delta flows, and that the BDCP comment period has been extended to June 15.

Staff responded to comments regarding cost allocation, the split of state and federal pumping amounts, potential litigations, and the maximum draw from the Delta under the current rules.

- b. Subject: Colorado River Matters
- Presented by: Bill Hasencamp, Manager, Colorado River Resources

Mr. Hasencamp's report included a 3-month outlook on Colorado River reservoirs, above average snowpack conditions and trends, increased water storage levels, and increased water demands on Lake Mead.

Director Koretz entered the meeting at 11:38 a.m.

- c. Subject: Water Resource Management Manager's Report
- Presented by: Deven N. Upadhyay, Manager, Water Resource Management

Mr. Upadhyay recognized Mr. Steve Arakawa, Manager, Bay-Delta Initiatives , for his contribution on the State Water Prjocect contract extension negotiations and he announced that staff has been awarded a landscape efficiency grant from the Bureau of Reclamation.

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on May 12, 2014

Meeting adjourned at 11:40 a.m.

David De Jesus
Chair