



Meeting Minutes

Meeting of the California Water Commission

Wednesday, August 20, 2025

California Natural Resources Building

715 P Street, 2nd Floor Conference Room

Sacramento, California 95814

Beginning at 9:30 a.m.

1. Call to Order

Commission Chair Fern Steiner called the meeting to order at 9:28 a.m.

2. Roll Call

Commissioners Gallagher, Hurt, Matsumoto, Solorio, and Steiner were present, constituting a quorum. Commissioner Makler arrived during item 8.

3. Acknowledgement of California Native American Tribal Governments

This is an opportunity for elected Tribal leaders and formally designated Tribal representatives to identify themselves and to specify the agenda item(s) on which they will comment, as described in the Commission's California Native American Tribal Leadership Comment Policy. No Tribal leaders or representatives asked to comment.

4. Approval of July 16, 2025, Meeting Minutes

Commissioner Hurt motioned to approve the July 16, 2025, meeting minutes. Commissioner Solorio seconded the motion. All Commissioners present voted to approve the minutes.

5. Executive Officer's Report

Executive Officer Laura Jensen reported on the engagement and participation numbers from the July Commission meeting. Executive Officer Jensen provided an update on the Los Vaqueros Reservoir Expansion project, and their recently released lessons learned report.

Commission Legal Counsel Holly Stout reported on the status of the Public Records Act (PRA) request regarding the Los Vaqueros project and recommended that the Commission close the early funding agreement.

6. Commission Member Report

Commissioner Gallagher reported that she would need to leave the meeting early.

7. Public Testimony

Public comment from Art Darden, who expressed his concern that increased salinity is poisoning the Delta, and that the Delta Conveyance Project (DCP) will make matters worse. Mr.

Darden said he supported moving fresh water to the agricultural community, which is being heavily impacted by climate change. He added that the decline of the Colorado River will create major problems for urban communities and the State must work together to figure out solutions. Mr. Darden reiterated that the DCP will not help address this issue. Mr. Darden encouraged the Commission to look at what has been done in other regions to prevent salinity from contaminating fresh water rivers.

8. Water Storage Investment Program: Update on Expected Timelines and Obstacles

Water Storage Investment Program (WSIP) Manager Amy Young provided an update on the progress of projects in the WSIP and an overview of current project timelines and potential obstacles to track how projects are demonstrating sufficient progress towards securing WSIP funding.

Commissioner Makler joined the meeting via Zoom.

Commissioner Bland asked how much water the Chino Basin Program is expecting to receive from the Metropolitan Water District of Southern California (MWD). Ms. Young said the parties have an agreement to transfer water from the MWD to Chino Basin for the pulse flow benefit.

Public comment from Peter Van Dyke, who expressed concern over the Pacheco Reservoir Expansion Project and said that if water is released from the Central Valley Project (CVP), it could have negative impacts on the environment. He said the Pacheco project does not have any project partners and it was rejected by the California Department of Fish and Wildlife (CDFW) in the 1970s. He said there are better options for water storage in the Central Valley.

Commissioner Gallagher asked when Santa Clara Valley Water Board of Directors would be meeting to discuss the Pacheco project. Ms. Young said the Valley Water Board would be meeting on August 26th, and Commission staff would update the Commission on the Pacheco project at the next Commission meeting.

9. Water Storage Investment Program: Consideration of Inflationary Increases to Projects' Maximum Conditional Eligibility Determination Amounts (Action Item)

WSIP Manager Amy Young presented options and the staff recommendation for increasing remaining WSIP projects' Maximum Conditional Eligibility Determination (MCED) amounts created by the withdrawal of the Los Vaqueros Reservoir Expansion Project and from funds available from Proposition 4 (2024).

Public comment from Randall Reed, President of the Cucamonga Valley Water District, said he supports the staff recommendation to award an inflationary increase to the Chino Basin Program. Mr. Reed said the only reliable source of water in Cucamonga is wastewater, and the Chino Basin Program would be able to treat 50 million gallons of wastewater per day and could store up to 15,000 acre-feet of water per year.

Public comment from Anastasia Allen, Colusa County Agricultural Commissioner and Air Pollution Control Officer, who expressed her support of the Sites Reservoir Project and said the 1.5 million acre-feet of water that the project could provide would greatly benefit Colusa County communities and farming industries. Ms. Allen said that in 2022 Colusa County experienced a series of droughts that devastated farmers and the local economy. She said Colusa County farmers produce and export food for the entire world and having the Sites project would help ensure that farmers in Colusa County would not face bankruptcy due to a lack of water. Ms. Allen encouraged the Commission to support the Sites project.

Public comment from Jerry Brown, Executive Director for the Sites Project Authority, who said they support either option one or option two of staff's presentation and assured the Commission that the Sites project is on track to receive a final funding award in 2026. Mr. Brown reported that the Sites project has initiated their negotiations with the United States Bureau of Reclamation (USBR) on their participation agreement and would be reapplying for the Clean Water Act Section 404 wetland permit. Mr. Brown said that increasing the Sites project's MCED would help the project move into the construction phase. In response to Commissioner Matsumoto's question at the July Commission meeting, Mr. Brown said that users of the recreational facilities are expected to pay to support the operational and maintenance costs of those facilities.

Public comment from Steven Elie, Director of the Inland Empire Utilities Agency (IEUA), who said IEUA supports staff's recommendation to award an inflationary increase to the Chino Basin Program's MCED. He said the IEUA service region is one of the fastest growing regions in the nation and they have a responsibility to provide clean, reliable water to their communities. Mr. Elie said the increased MCED will allow IEUA to continue to advance the Chino Basin Program and thanked the project's partners such as the Cucamonga Valley Water District, the Fontana Water Company, and the MWD for their involvement. He said that up to 375,000 acre-feet of water for the pulse flow benefit would come from the MWD. Mr. Elie said that IEUA's Board recently awarded two significant design-build contracts for the Chino Basin Program, and he encouraged the Commission to adopt the staff recommendation.

Public comment from Ricardo Ortega, General Manager of the Grassland Water District, who said his district delivers water to many wetland habitats south of the Delta. Mr. Ortega said the Sites project can deliver incredible ecosystem benefits to wetland habitats and encouraged the Commission to adopt the staff recommendation and increase the Sites project's MCED so that those environmental benefits can come to fruition.

Public comment from John Pérez, Managing Director of CIM Group, who said the Willow Springs Water Bank Conjunctive Use project is continuing conversations with the State Water Contractors (SWC) and there is increased interest in the project. Mr. Pérez said their team is producing final cost estimates and a project timeline and has completed biological surveys integral to the project's design proposal. He said an inflationary increase would greatly benefit the Willow Springs project and would maximize their ability to deliver cost effective water

storage and public benefits. Mr. Pérez encouraged the Commission to adopt option one of staff's presentation.

Public comment from Anjanette Shadley, General Manager of the Willow Springs Water Bank, who said the Willow Springs project is a sustainable, multipurpose project that leverages existing infrastructure and is designed to deliver ecological benefits, water supplies and emergency response capabilities. Ms. Shadley said she looks forward to working with the Commission.

Public comment from Mike Avina with Soluri Meserve, representing the Stop Pacheco Dam Coalition, who said a recent report on the Pacheco Reservoir Expansion project disclosed that the USBR would require a Warren Act contract as part of their negotiations with the project, which is a lengthy process that has not been initiated. Mr. Avina said the inability to store CVP water in the Pacheco facility is a significant departure from the project's original WSIP application. Mr. Avina encouraged the Commission to adopt the staff recommendation and not provide an inflationary increase to the Pacheco project.

Public comment from Rebecca Eisenberg, Member of the Santa Clara Valley Water Board of Directors, who said she opposes any funding for the Pacheco project and that outdoor reservoirs lose water to evaporation quicker than water can be added. Ms. Eisenberg said that water recycling projects should be expanded to include non-potable water, which has been shown to be greatly beneficial to ecosystems and farmers.

Commissioner Hurt asked for clarification on when projects would receive the additional inflationary adjustment to their MCEDs if the Commission were to adopt the staff recommendation. Ms. Young said the projects would not typically be able to use the whole amount of funds until they return to the Commission to ask for a final funding award, however, if the Commission adopts the staff recommendation it allows some projects the opportunity to request early funding from the Commission, which could happen in the next few months.

Commissioner Matsumoto expressed concern that the value of the public benefits provided by the projects is decreasing while project costs are increasing, and costs associated with rising inflation are being placed on the taxpayer. She said the MCED represents the maximum amount of funding a project can receive, and projects can be awarded less than the maximum amount. She said the amount of funding awarded to a project depends on the project meeting certain milestones, and it is a disservice to the public and to other projects if funds are awarded to a project that is not viable.

Commissioner Bland asked Jerry Brown to stay engaged with the Sites project's negotiations with the USBR.

Commissioner Solorio asked for clarification on when the project applicants might be able to use the additional funding should the Commission vote to adopt the staff recommendation, and what follow up Commission staff will do once a decision is made. Ms. Young said staff would

follow up with the applicants, update information on the Water Commission website and when the applicants are ready they would request early funding at a future Commission meeting. Commissioner Solorio encouraged Commission staff to think about project viability, and how different organizations may have different definitions of viability, even though project applicants may be experiencing similar challenges. He also said the WSIP projects are hungry for additional resources and the Commission should explore ways to help projects attain additional funding or grants.

Commissioner Gallagher said she supported the staff recommendation.

Commissioner Makler said he supported the staff recommendation and commented on the Commission's experience with the Los Vaqueros project and the cost implications of inflation and limited funding from the federal government. Commissioner Makler also said the value of the public benefits could be increasing in line with inflation.

Commissioner Hurt said she supported the staff recommendation as some of the WSIP projects don't appear to be viable, and the Commission should only put money towards projects that are making demonstrable progress.

Public comment from Peter Van Dyke, who said both state and local water agencies should consider mitigation costs for ecological and environmental damages caused by industrial and urban development when calculating project costs.

Commissioner Solorio moved to adopt the staff recommendation for the Chino Basin Program MCED. Commissioner Hurt seconded the motion. All Commissioners present voted to adopt the staff recommendation.

Commissioner Solorio moved to adopt the staff recommendation for the Kern Fan Groundwater Storage Project MCED. Commissioner Bland seconded the motion. All Commissioners present voted to adopt the staff recommendation.

Commissioner Gallagher moved to adopt the staff recommendation for the Pacheco Reservoir Project MCED. Commissioner Solorio seconded the motion. All Commissioners present voted to adopt the staff recommendation.

Commissioner Solorio moved to adopt the staff recommendation for the Sites Project MCED. Commissioner Hurt seconded the motion. All Commissioners present voted to adopt the staff recommendation.

Commissioner Solorio moved to adopt the staff recommendation for the Willow Springs Water Bank Conjunctive Use Project MCED. Commissioner Gallagher seconded the motion. All Commissioners present voted to adopt the staff recommendation.

The Commission took a ten-minute break.

10. Water Storage Investment Program: Notice of Proposed Rulemaking on Early Funding Regulation (Action Item)

Commission Legal Counsel Kaylee Minton provided an overview of the proposed regulation change that would remove the dollar amount cap for early funding and background information as to why Commission staff recommended the regulation change. Ms. Minton also provided a summary of comments received during the public comment period.

Public comment from David Guy, President of the Northern California Water Association, who expressed his organization's support for the Sites project and Commission staff's recommendation to increase the project's MCED and amend the WSIP regulations. Mr. Guy said the Sites project benefits the entire state and has broad support from all over California.

Public comment from Megan Murphy, Senior Regulatory Advocate for the California Municipal Utilities Association (CMUA), who said CMUA represents 85 publicly owned utilities statewide and provide water service to 75 percent of Californians. She encouraged the Commission to adopt the staff recommendation.

Public comment from Victoria Llort, with the Desert Water Agency (DWA), who expressed her support of staff's recommendation to increase the Sites project's MCED and amend the WSIP regulations to remove the dollar amount cap. Ms. Llort said the DWA serves approximately 75,000 people in Southern California and exchanges their State Water Project (SWP) water with Colorado River water, which is used to recharge their local aquifers. She said the Sites project would be a new source of reliable water for DWA and would increase their ability to keep water affordable for their customers. Ms. Llort encouraged the Commission to adopt the staff recommendation.

Public comment from Rebecca Eisenberg, Member of the Santa Clara Valley Water Board of Directors, who said she supports the staff recommendation, with two caveats. Ms. Eisenberg said there needs to be a strict form of financial accounting and transparency needs to be implemented, so that projects are specific about where project money is going, and for what purpose. She also said there should be strict guidelines to avoid experiencing a sunken cost phenomenon, in which a project's continued funding is justified on the basis that the project was previously funded.

Commissioner Gallagher moved to adopt the proposed regulation change. Commissioner Hurt seconded the motion. All Commissioners present voted to adopt the proposed regulation change.

11. Sustainable Groundwater Management Act: Update on Implementation and Groundwater Conditions

Assistant Deputy Director of the Sustainable Groundwater Management Office (SGMO) Keith Wallace provided an update on DWR's implementation of the Sustainable Groundwater Management Act (SGMA). Mr. Wallace summarized DWR's progress in the first decade

implementing the initial Groundwater Sustainability Plans (GSPs) that support local Groundwater Sustainability Agencies (GSAs).

Director of the State Water Resources Control Board's (SWRCB) Office of Sustainable Groundwater Management Natalie Stork provided an update on the SWRCB's implementation of SGMA, and highlighted state intervention and enforcement efforts.

DWR SGMO Technical Assistance Section Lead Steven Springhorn provided an update on historical and current groundwater conditions around California.

Public comment from Manny Bahia, with the State Water Contractors, said the SWP delivers water to 27 million Californians and is essential infrastructure. Mr. Bahia said the SWC supports the goals of SGMA and groundwater decisions have a direct effect on subsidence near the San Luis Canal and the California Aqueduct. He said subsidence will cost a billion dollars to repair those projects and taxpayers will bear the burden of those costs. Mr. Bahia said current modeling indicates that groundwater levels must be maintained at a higher level to mitigate subsidence. He urged the State to intervene quickly. Mr. Bahia also said the federal government has committed a billion dollars to water infrastructure projects, but only a small fraction of that money will be available for the San Luis Canal. He urged state legislators to release Proposition 4 funds so that subsidence projects can move forward.

Public comment from Tien Tran, Policy Manager at the Community Water Center, who emphasized the needs of drinking water users in the San Joaquin Valley and Central Coast who are threatened by drought and subsidence. Ms. Tran said the human right to water must continue to be a priority throughout SGMA implementation and her organization would continue to track drinking water issues and work with DWR and SWRCB to ensure that drinking water users dependent on groundwater are protected. Ms. Tran said her organization and other partners provide support to small farmers and share similar concerns regarding water pumping. She emphasized the need for proactive groundwater management, including setting water allocations and pumping limits to protect vulnerable communities.

Public comment from Peter Van Dyke who said groundwater basins are facing increasing pressure and local municipalities should explore more robust water recycling programs. Mr. Van Dyke said there should be a methodology or legislation that mandates that municipalities recycle more water. He said it appears that subsidence and groundwater depletion is putting the most pressure on southern regions of the state and questioned whether subsidence can be mitigated.

Public comment from Dr. Natalie Escobedo Garcia, Water Policy Manager with the Leadership Council for Justice and Accountability, who said her organization looks forward to working with the State and local GSAs to monitor the implementation of SGMA. Dr. Garcia said while the state has been the primary source of funding to address the depletion of domestic wells, GSAs are gearing up to support those efforts as well.

Public comment from Rebecca Eisenberg, who said the State should reboot its fundamental relationship with water and work to undo environmentally harmful actions. She said there are creeks with concrete bottoms in her region that exacerbate flooding and produce harmful

toxins to workers. Ms. Eisenberg said cement is one of the biggest producers of greenhouse gas which fuels climate change and drought and encouraged the State to explore nature-based solutions. She said by rebuilding ecosystems the State can reduce flooding, provide clean drinking water and recharge groundwater basins.

Commissioner Matsumoto asked when the next basin ranking would be and whether criteria outlined in California's Groundwater Bulletin 118 would be updated to address the unregulated portion of the state. Mr. Springhorn said there were no plans to redefine the criteria or modify basin boundaries, but DWR has increased the amount of technical information in Bulletin 118 pertaining to those unregulated areas.

12. Sustainable Groundwater Management Act: Update on Groundwater Trading from State and Local Perspectives

Commission Assistant Executive Officer Sarah Lesmeister provided background information on the Commission's work regarding groundwater trading and summarized the findings of the Commission's Groundwater Trading White Paper, released in 2022.

DWR SGMO Supervisor Andrew Morgan provided an overview of the Interagency Workplan for Enabling and Incentivizing Well-Managed Groundwater Trading with Safeguards for Vulnerable Users.

SWRCB Senior Environmental Scientist Sarah Sugar provided an overview of the SWRCB's oversight of SGMA, including the SWRCB's review of locally managed well mitigation programs.

General Manager of Tulare Irrigation District and Interim Manager of the Mid-Kaweah GSA Aaron Fukuda and Chief Executive Officer of Environmental Marketing Specialists, Inc. Dr. Matthew Fineup provided a local perspective on groundwater trading.

Public comment from Tien Tran, who summarized three recommendations that her organization submitted to the Mid-Kaweah GSA including using the best available science to ensure groundwater monitoring data to assess impacts to vulnerable users, integrating groundwater market strategies with other projects, and setting buffer zones and non-tradeable specific water budgets for drinking water users.

Public comment from Catherine Van Dyke, Community Alliance with Family Farmers, who expressed their concerns regarding local farmers who could be at risk if the water they rely on is sold by the landowner because of a market incentive. Ms. Van Dyke also said any groundwater market should prohibit the ability of a single landowner to combine extraction allocations amongst various wells, especially for non-contiguous properties.

Public comment from Dr. Natalie Escobedo Garcia, who emphasized the need for demand reduction before implementing groundwater markets and said the purpose of groundwater trading should be to reach sustainability and not allow over pumping. She said there should be strong state oversight of groundwater trading and expressed appreciation to the Mid-Kaweah GSA for their robust mitigation program. Ms. Garcia expressed concern about impacts to domestic wells and small water systems if other GSAs cannot replicate these types of programs.

Ms. Garcia encouraged the State to explore other strategies to achieve water sustainability before implementing groundwater trading.

Public comment from Rebecca Eisenberg, who emphasized the need to take social equity and local control into consideration in groundwater trading and groundwater markets. Ms. Eisenberg said not considering social equity emphasizing the need for local control, rather than local water, would not be correct uses of groundwater trading. She said a policy that gives authority to only landowners, which may not benefit those who work and rely on that land. Ms. Eisenberg said non-landowners should be included in the development of groundwater trading policies and encouraged the State to take social justice into consideration.

Commissioner Hurt asked how technology is involved in the development of the groundwater trading markets. Mr. Fukuda said the agricultural industry was more involved in the development of the market but that technology is embedded in their tracking and water allocation systems. Mr. Fukuda also said there is heavy investment in groundwater, hydrogeology and modeling.

Commissioner Matsumoto commented on the lessons learned from the development of the Mid-Kaweah GSA and said the design of other markets in other regions will be different based on the local needs of that region. She also said that although market power is not necessarily in the purview of GSAs and SGMA, it is important to have guardrails on the market to avoid market imbalance.

Commissioner Steiner said that one of the major concerns from the public during the development of the Commission's groundwater trading white paper was that groundwater basins should have protections in place to prevent water misuse and negative impacts to small farmers.

Commissioner Bland asked how GSAs will ensure that the market remains balanced when transitioning from a wet water year to a dry water year. Mr. Fukuda said their allocation system has a pumping cap, which limits how much water can be pumped per year. He said Mid-Kaweah has a committee that will use adaptive management techniques to prevent market violations.

13. Sustainable Groundwater Management Act: Update on Subsidence and Best Management Practices

Deputy Director of DWR's Sustainable Water Management Office, Paul Gosselin, presented the Subsidence Best Management Practices document (BMP) to the Commission.

Shane Edmunds, Lead of DWR's Groundwater Sustainability Plan Review section, presented data on recent subsidence in the San Joaquin and Sacramento Valley. Mr. Edmunds provided an overview of the contents of the BMP and key takeaways from document.

Mr. Gosselin provided background information on subsidence and discussed the implementation strategy SGMA has taken for DWR's approval of the BMP.

Public comment from Manny Bahia, State Water Contractors, said the document highlights deficiencies of the management strategies of some GSPs and reiterated his earlier comments regarding the management of current groundwater levels. Mr. Bahia urged DWR to consider making the BMP a regulation and reiterated his earlier comments regarding the impact of subsidence on the San Luis Canal and California Aqueduct.

Public comment from Dr. Natalie Escobedo Garcia, who expressed her appreciation for DWR's work on the BMPs and said her organization looks forward to how the BMPs will be implemented.

Public comment from Megan Murphy who asked about the goals of the BMPs regarding restoring historical subsidence levels. Mr. Gosselin said while SGMA generally calls on the State to minimize the effect of subsidence, the BMPs let GSAs make evaluations on what actions are needed based on local subsidence conditions.

Commission Legal Counsel Holly Stout reminded those in attendance that questions or comments posed during the public comment period are posed to the Commission, and the public comment period is not an opportunity for commenters to engage with presenters.

Commissioner Hurt asked about permitting and whether regulations would be appropriate to implement the BMPs. Mr. Gosselin said the BMPs do not establish a permitting process and DWR has evaluated the historic subsidence conditions and determined that regulations are not currently needed. Commissioner Hurt asked for clarification on modeling assumptions. Mr. Edmunds said the BMP does contain 1D models and more information that describes the modeling assumptions used in the BMP can be found in the technical memorandum of the California Natural Resources Agency's open data platform.

Executive Officer Jensen encouraged those who have questions about the subsidence BMPs to participate in upcoming DWR workshops.

14. Consideration of Items for Next California Water Commission Meeting

At the September meeting, in addition to the monthly WSIP Update, the Commission will receive a Tribal engagement training; host the fourth State Water Project briefing of the year; and hear from DWR Director Karla Nemeth.

15. Adjourn

The Commission adjourned at 3:54 p.m.