**Meeting Minutes**
Meeting of the California Water Commission
Wednesday, May 20, 2026
California Natural Resources Building
715 P Street, Auditorium
Sacramento, California 95814

**1. Call to Order**
Commission Chair Fern Steiner called the meeting to order at 9:30 a.m.

**2. Roll Call**
Commissioners Curtin, Elliott, Gallagher, Hurt, Makler, Matsumoto, Solorio and Steiner were present, constituting a quorum.

Commissioner Bland was absent.

Anthony Austin, Water Commission Attorney, noted remote commissioners are required by Bagley-Keene to keep their videos turned on.

**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 April 15, 2026, Meeting Minutes**
Commissioner Curtin motioned to approve the April 15, 2026, meeting minutes. Commissioner Matsumoto seconded the motion. All Commissioners present voted to approve the minutes.

**5. Executive Officer's Report**
Executive Officer Laura Jensen welcomed Commissioner Elliott and reported the April's meeting participation was lower than March's meeting participation. A total of 69 attendees and 31 comments were recorded. Additionally, an update was provided on DWR's Vision for the San Joaquin Valley, which is open for public comment until July 31st. This document is currently being featured at the San Joaquin Valley Water Summit and will be presented to the Commission in August.

**6. Commission Member Report**
Commissioner Steiner attended the first California Water Plan Update Advisory Committee meeting, where a diverse range of water topics was explored. Chair Steiner shared that the Commission's Assistant Executive Officer, Sarah Lesmeister, provided a high-level overview of

WSIP. Other presenters covered topics on groundwater recharge, recycled water, and stormwater capture. Future meetings are scheduled to be held throughout the State, with the next location to be determined in southern California. Commissioner Makler welcomed Commissioner Elliott.
Commissioner Solorio suggested an early sharing of initial ideas for acquiring the additional million plus acre-feet, so that feedback and recommendations can be provided by the Commission.

**7. Public Testimony**
There was no public comment.

**8. Water Storage Investment Program: Quarterly Update on Projects**
Water Storage Investment Program Manager Amy Young provided an update on the progress of projects in the WSIP and project schedules based on information in the quarterly reports.

Commissioner Curtin requested a better sense of the Sites Project's draft water rights issue, specifically regarding what percentage of the 1,500,000 acre-feet storage capacity is at risk.

Amy Young noted as she understood it the reservoir can technically still be filled to its maximum capacity, though the specific amount that can be drawn from the river each year remains subject to various external requirements.

Commissioner Curtin stated a longer and more complicated process is expected due to the insufficient water amount acquired each year and expressed concern regarding the viability of this last remaining surface storage project, as a reduced return on investment after a lengthy permitting process has historically led to the abandonment of similar projects.

Executive Officer Jensen commented a balancing of water uses was required for water rights decisions, which included considerations for both the environment and other water users. The mandate, issued by the State Water Resources Control Board, is distinct from and extends beyond the coequal goals established for the Delta.

Commissioner Gallagher asked about the water agreements with the remaining WSIP projects where details have not yet been finalized, if different water being used, and why are those specific agreements being structured differently.

Amy Young stated agreements for the three pulse flow projects had not yet been finalized. Different methods for water storage and exchange were being used by each project, with negotiations still being conducted.

Commissioner Gallagher requested a refresher on pulse flow agreements and to clarify how the water is managed.

Executive Officer Jensen noted that the pulse flow projects relied on distinct partner coalitions and water types to produce their pulse flows. The Chino Basin Program partnered with Metropolitan Water District (MWD) using Table A water, whereas the remaining two projects used Article 21 water and worked with broader coalitions. Kern Fan Project was established more solidly with its partners, while Willow Springs Water Bank Project continued to finalize its agreements beyond AVEC.

Commissioner Gallagher confirmed that additional clarity was needed regarding how the use of Article 21 water versus Table A water impacted the negotiation process. Questions were raised about whether these different water types held different values for the public benefit calculation and how those differences affected the overall funding process.

Executive Officer Jensen explained that values were assigned uniformly to all projects based on standard unit values of water, with customization allowed for specific considerations. It was also noted that additional project-specific details would be provided during the Chino Basin Program presentation.

Commissioner Hurt expressed concern regarding how the Commission could support the Sites Project in overcoming its remaining permitting hurdles and emphasized that the public needed to understand the distinct roles of the Commission versus local entities in ensuring the success of the Sites Reservoir.

Executive Officer Jensen explained that while project proponents held primary responsibility for securing permits and negotiating legal agreements, the Commission could help facilitate discussions, align timelines, and coordinate with state agencies like California Department of Water Resources (DWR) and California Department of Fish and Wildlife (DFW) and also noted that water rights decisions remained entirely under the jurisdiction of the State Water Resources Board. Ultimately, the Commission's specific role was defined as evaluating the public benefits of the verified projects to determine funding awards.

Commissioner Matsumoto inquired how the quarterly reports were being interpreted and whether they provided enough detail to effectively track project progress and noted that the frequent use of "continue to" statements made it difficult to distinguish actual advancement from repetitive updates, prompting a question about whether report quality had improved or if further enhancement was needed.

Amy Young stated that good information was generally received through the quarterly reports and explained that monthly meetings were held with project proponents to follow up on ongoing tasks, ensuring that items marked as "continuing" remained on track to meet their established deadlines.

Commissioner Matsumoto emphasized that the delivery of these large, complicated storage projects remained a critical priority due to acute water needs and the length of time since funding was approved in 2014. While the progress of the Harvest Water project was

acknowledged, concern was expressed that the public had yet to see benefits from most projects. The loss of several previous projects was noted and future funding should be strictly prioritized for the projects showing the greatest promise.

Commissioner Makler inquired regarding public benefits contracts and project performance obligations and suggested that staff request details from project proponents and administering agencies concerning project milestones, reporting requirements, and remedies for non-performance. Commissioner Makler asked about the oversight terms that are being included in current agreement term sheets to ensure long-term project viability.

**9. Water Storage Investment Program: Chino Basin Program Update**

Kevin Alexander, General Manager of the Inland Empire Utilities Agency, and Shivaji Deshmukh, highlighted significant ongoing progress, including the construction of demonstration projects, test wells, and monitoring wells to analyze the aquifer. Additionally, Mr. Alexander noted that the agency had worked closely with the State on Table A water exchange contracts, simulations, and cost-certainty measures to protect ratepayers from affordability impacts. Mr. Alexander spoke about driving the program forward to deliver drinking-quality water, safeguard the aquifer, and secure emergency water supplies for dry periods. Significant ecological and local supply benefits of the Chino Basin Program were noted, emphasizing that storing this Delta-independent water provided an innovative way to serve the State. The program aims to use the local aquifer's million-acre-foot capacity to capture water previously wasted to the ocean, providing a reliable, flexible supply over a multi-year period and exchanging this stored groundwater in southern California. This project would allow northern California water managers to release water from Lake Oroville to maintain river flows for fish and wildlife. Their partnership with the MWD validated this advanced technology, which would also help manage the basin's salt-nutrient balance and improve overall water quality. Ultimately, the multi-million-dollar infrastructure investment secured high-value, guaranteed Table A water to reliably execute these regional exchanges.

Elizabeth Hurst, spoke about extensive coordination and simulations clarified how the agency’s recycled water would back regional supplies, allowing the Inland Empire Utilities Agency to offer annual water storage for optimized ecosystem releases and local partner agencies to maintain adequate supplies to meet their demands. This will lead to important flexibility to adjust their reliance on imported water. Ms. Hurst noted historical real-world hydrology simulations proved the concept, demonstrating that CDFW could have successfully executed 12 to 24 pulse flows while receiving their full 100,000 acre-feet allocation. Despite the high financial cost of constructing the necessary southern California facilities, the agency successfully maintained all original public benefit commitments, including storing 5,000 acre-feet per year of purified water and securing 50,000 acre-feet of local emergency supplies.
Ms. Hurst discussed how the Chino Basin Program advanced facility construction and secured critical agreements for its water purification and emergency supply goals, completed preliminary designs, began construction on the Advanced Water Purification Facility, and finalized an exchange agreement with MWD. The regulatory approvals remained on track with

a recirculating environmental impact report, while testing reduced the required number of aquifer wells.

Commissioner Matsumoto expressed appreciation for the update, noting the complexity of balancing extensive physical infrastructure with intricate legal contracts and excitement over the clearer, more tangible breakdown of ecosystem benefits. In addition, a question was raised regarding why the pulse flow was only permissible when water allocations exceeded a specific percentage and inquired about the operation fee.

Ms. Hurst explained that the constraint stemmed from DWR operational studies to ensure no harm to other contractors because water year types are defined retrospectively, simulations established a 20% allocation threshold as the safest approximation for releasing flows and clarified that this was a system-wide State Water Project limitation, not specific to the Chino Basin program. Ms. Hurst noted that bypassing the Thermalito Power Plant for the pulse flow caused real energy losses and increased DWR operational staff time because the public agency was legally constrained by its rate-setting process, teams actively collaborated with State staff to offset these costs. Ultimately, they focused on finding solutions that protected fish populations without financially impacting other State contractors.

Commissioner Hurt expressed appreciation for the detailed update, noting it highlighted critical project areas and pointed out multiple references to the rate study and asked about the potential timeline for its completion. Additionally, they inquired whether the study would result in any other scenarios, outcomes, or implications for the project beyond immediate ratepayer cost balances.

Mr. Alexander stated that the agency aimed to complete its comprehensive rate study by June 2026 to align with the expiration of its existing fiscal timeline and explained that a major challenge involved restructuring advanced treatment costs to avoid unfairly burdening disadvantaged wastewater-only communities. It was noted that the study had to balance regional rate affordability across diverse partners, including a private water company regulated by the California Public Utilities Commission.

Commissioner Gallagher thanked the presenters for the concise update and asked what goals the agency hoped to achieve with the complex demonstration facility, specifically inquiring if its purpose was to secure public buy-in.

Mr. Alexander explained that while the technology was proven, the demonstration facility served an investigative scientific purpose to optimize water recovery to an unprecedented 95% threshold and train local operators. They added that the facility would also expand community outreach by providing a new educational hub in the northern region of Rancho Cucamonga and Fontana.

Commissioner Makler noted that while a raw water pipeline connection was always contemplated, refinement of the design had altered the project's scope to provide more value

to Metropolitan. Finally, Commissioner Makler observed that the total project cost had escalated from $500 million to approximately $1 billion, and they inquired if the funding gap would be covered by direct ratepayers and newly secured federal funds.

Ms. Hurst clarified that the infrastructure had not been gold-plated, but had actually been slimmed down through design refinements and explained that they were striving to rebalance the funding structure to replicate the original 50-50 split from 2018, which had been disrupted by historic inflation.

Commissioner Solorio requested future updates on local project labor agreements and potential federal funding advocacy through the governor's office. Additionally, it was suggested adopting a dashboard-based format for subsequent briefings to make tracking funding, permitting, and multi-agency progress easier to compare.

Commissioner Matsumoto contested the idea that water flowing to the ocean was wasted, emphasizing the immense intrinsic, ecological, and economic value of year-round river connectivity. While acknowledging ratepayer concerns, they urged interested parties to recognize the vital role flowing rivers play in water supply resilience.

Anthony Austin reminded the commissioners that any decision to conduct site visits to the five WSIP projects must be made during a public commission meeting. They added that under the Bagley-Keene Open Meeting Act, the site visit itself would also have to be conducted as a fully noticed public meeting.

**10. State Water Project Briefing: Safety, Operations, and Energy Update**

John Yarborough, State Water Project Deputy Director, introduced three core briefing topics: operations, safety, and energy and explained that operational check-ins illustrated how the system's vast complexities came together, while regular safety updates ensured that field personnel remained protected during policy implementation. Mr. Yarborough highlighted the project's aggressive shift toward a 100% carbon-free power portfolio, noting recent milestones like a 100-megawatt solar project with Calpine and a canal-top solar pilot with Turlock Irrigation District, all while balancing essential long-term rate affordability.

Jorge Quintero, SWP Division of Operations and Maintenance Assistant Division Manager, detailed how the State Water Project optimized its power portfolio and flexed operations to support grid reliability while working toward an accelerated 100% clean energy target by 2035 and net-zero emissions. As California's largest single power consumer, the project successfully reduced greenhouse gases below historical benchmarks through infrastructure upgrades, carbon offsets, and strategic resource procurement. Additionally, Mr. Quintero shared that the project successfully shifted up to 800 megawatts of electricity load during extreme grid events without reducing the total volume of regional water deliveries.

Behzad Soltanzadeh, Division of Operations and Maintenance Manager, provided an overview of safety improvements within the State Water Project's Division of Operation and Maintenance, emphasizing that safety was treated as a core value rather than a changing priority. Since 2018, DWR had integrated Cal OSHA classifications, hired an executive safety officer, and established dedicated safety committees across its divisions. By using comprehensive dashboards, the division monitored monthly safety audits, recordable injuries, and vehicular accidents across millions of miles driven annually. Although preventable vehicle accidents decreased over a multi-year period, an uptick in Cal OSHA recordable injuries—particularly driven by hearing loss—prompted the agency to execute a mandatory, system-wide safety stand-down in August 2024 to analyze incidents and reinforce field protocols. There was a marked improvement in safety following the all-hands safety meeting.

Tracy Hinojosa, State Water Project Operations manager, stated that the 2025 water year was defined by hydrologic extremes, including heavy winter storms but a below-average statewide snowpack that melted early due to a warm March and highlighted the improved April storms which boosted Lake Oroville storage to 101% of its historical average, prompting flood control releases and pushing the final water year designations to "above normal" for the Sacramento Valley and "dry" for the San Joaquin Valley. Consequently, the Department of Water Resources (DWR) increased the State Water Project water supply allocation from an initial 10% up to 40% by May 2026. While federal and State endangered species permits restricted winter and spring Delta export operations to protect fish populations, the agency successfully coordinated continuous operations with federal and State partners while initiating an update to the U.S. Army Corps of Engineers water control manual.

Jonathan Young, Energy Manager for the State Water Contractors, detailed how rising wholesale energy costs and hydrological variability place significant cost pressures on the association's 27 member public water agencies and noted that while the member agencies actively coordinate with the State to shift pumping loads and deploy localized solar generation to protect the power grid, they are aggressively pursuing wholesale market design changes through the California Independent System Operator to secure fair compensation for their systemic flexibility. Mr. Young highlighted critical infrastructure priorities impacting long-term operations, warning that ongoing land subsidence erodes the State Water Project's operational capacity to function as a flexible battery for the State and highlighted efforts to mitigate these complex financial and environmental risks, the association is actively backing key legislation to restructure transmission access charges and secure dedicated funding for essential subsidence and delta levee repairs.

Commissioner Hurt commended the agency's net-zero emission goals and emphasized the need for a robust community education plan to explain the necessity of carbon capture and requested more information regarding external community safety, malicious security threats, and how major emerging industries—such as data centers and agriculture—might impact those zero-emission targets.

Mr. Yarborough appreciated the feedback and agreed to incorporate topics like external community safety and security vulnerabilities into future presentations. Regarding the energy market, they explained that evolving consumption patterns would guide how they forecast future utility pricing and integrate competing renewable resources into their power portfolio. Finally, they noted that data center water usage demands remained an unfolding issue, adding that the direct impact and resource accounting would primarily fall on localized customer agencies.

Mr. Quintero agreed that the integration of data centers and widespread electrification intensified competition for clean energy resources and noted that this trend drove competitors toward riskier, emergent technologies, such as small modular nuclear reactors, which the agency tracked closely. Additionally, he explained that they evaluated these market dynamics and grid initiatives through the California Independent System Operator to ensure long-term cost-effectiveness and equitable net benefits for water contractors over a multi-decade horizon.

Commissioner Hurt expressed interest in learning more about SMRs in their sector, maritime and mentioned it was the latest major conversation, appearing applicable to everything. But because big tradeoffs existed, she wanted to hear the speaker's perspective and pointed out that the procurement target slide showed a remaining need, prompting them to ask what that need entailed and how the team planned on closing the gap.

Mr. Yarborough noted that solar is just one way to visualize our scaling needs, which require adding several hundred megawatts over the next few years and highlighted recent progress—including executing a new PPA and bringing a project online last month—while acknowledging that more portfolio additions are still necessary.

Commissioner Curtin expressed amazement at the complexity of the water system, noting that it was astonishing that clean water consistently came out of the tap and shared an uneasy feeling about rapid climate change, pointing out that because the snowpack was shrinking, traditional flood control releases were sending water into the ocean rather than storing it for future use and questioned whether federal water control updates were reflecting these changing conditions.

Mr. Yarborough agreed with the assessment and noted that climate changes were occurring much faster than anticipated years ago and emphasized that ongoing discussions, planning, and current observations all highlighted an increasing need for greater flexibility in both physical infrastructure and regulatory frameworks.

Commissioner Curtin argued that the existing water infrastructure was fantastic but outdated for current needs, emphasizing that the system required a stronger focus on conveyance to channel floodwaters into groundwater storage and warned that failing to manage groundwater control would turn the Central Valley into a desert.

Commissioner Makler commended the strong vendor cooperation that brought the recent project online, praised the organization's transparent safety reporting and suggested implementing near-miss reporting and asked whether safety metrics were tied directly to executive compensation or management incentives.

Mr. Soltanzedeh confirmed that near-miss data was already being tracked and offered to include it in future presentations and explained that while an operational availability bonus existed, any new safety incentive would have to be negotiated through CalHR and the bargaining unit and noted that the operational availability metric provided a strong precedent for tying employee incentives to safety performance.

**11. Sustainable Groundwater Management Act Update**

Stephen Springhorn, Technical Assistance Section Lead, provided an update on California's water conditions, emphasizing that groundwater was a critical component of the State's water portfolio supporting ecosystems, communities, and agriculture. To meet the growing demand for more frequent data under the Sustainable Groundwater Management Act, the Department of Water Resources (DWR) shifted its comprehensive 1,000-page "Bulletin 118" report from a five-year to a ten-year cycle, filling the data gap with a daily online tracker and a newly released semiannual conditions report. This latest spring update integrated annual data from over 260 groundwater sustainability agencies representing 90% of the State's pumping. Mr. Springhorn summarized that while a strong snowpack and reservoir runoff left near-term water conditions positive and stable, long-term deficits in the groundwater basins still persisted.

Mr. Springhorn emphasized that California's water infrastructure functions as a highly interconnected system and noted that while groundwater provides a massive storage buffer during droughts, persistent long-term deficits continue to linger after dry periods. To combat this, hundreds of local agencies are advancing nearly 2,000 localized projects under the Sustainable Groundwater Management Act (SGMA). Mr. Springhorn highlighted data from the past water year showed that statewide groundwater extractions reached nearly six million acre-feet, with 80% occurring in the San Joaquin Valley and reduced surface water allocations south of the Delta slowed managed aquifer recharge to 1.3 million acre-feet, causing regional groundwater storage to dip into a negative change of 1.7 million acre-feet for the first time in three years.

Andrew Morgan, Senior Engineering Geologist, informed the Commission that State agencies finalized an interagency groundwater trading work plan in response to a State directive and explained that while groundwater trading was an optional tool under the Sustainable Groundwater Management Act (SGMA), DWR launched a database module to track these local programs. Mr. Morgan noted that several basins were actively developing allocation systems or proposing markets, and that DWR extended funding for a third-party groundwater trading accounting platform  Moving forward, they emphasized that the State would continue engagement with interested parties, but noted that near-term focus would prioritize broader

challenges like land subsidence, which could require local agencies to adjust the sustainable yield limits that form the very foundation of trading programs.

Shane Edmonds, Supervising Engineering Geologist for SGMO, provided an update on the subsidence Best Management Practices (BMP), which was finalized on January 1st, and detailed the subsequent implementation launch held with Groundwater Sustainability Agencies (GSAs) on March 18th and highlighted the core concept of "critical head," defining it as the groundwater threshold below which irreversible sinking occurs, and noted that the BMP provided local agencies with measurement methods alongside modeling scenarios to show how rapid groundwater recovery can mitigate future damage. Mr. Edmonds emphasized that the BMP advised GSAs to coordinate closely with infrastructure operators to set basin management targets that actively protect overlapping federal and State water conveyance facilities and noted that the BMP recommended managing groundwater at or above the critical head level, emphasizing that successful subsidence management required cross-basin collaboration. To support GSAs, DWR filled data gaps by improving InSAR remote sensing coverage and installing 11 real-time GPS monitoring stations, with plans to reach 25 sites. Mr. Edmonds summarized the current status of Groundwater Sustainability Plans (GSPs) across California, using a map to show approved basins in green, incomplete ones in purple, and inadequate ones in orange and noted that out of the inadequate basins, only three—Tule, Tulare Lake, and Pleasant Valley—remained under the jurisdiction of the State Water Resources Control Board, while the others had addressed their deficiencies and were returned to DWR for review. After completing 12 of these local meetings across the Sacramento and San Joaquin valleys, DWR planned to visit at least 15 more basins through the summer before hosting regional meetings in the fall to align water management strategies across jurisdictional boundaries.

Commissioner Matsumoto commended the team for churning out a massive volume of work and asked how the quality of Groundwater Sustainability Plans (GSPs) had evolved since 2020 band and how proactive the local agencies had been regarding land sinking, noting that the department's subsidence Best Management Practices (BMP) came out after those initial plans were already submitted.

Mr. Springhorn emphasized that SGMA relied on an iterative process of adaptive management, noted that new data consistently required local agencies to update their plans and that annual reports already revealed widespread local activity, tracking thousands of projects and management actions. Mr. Springhorn cautioned that written plans do not always reflect real-world execution and concluded that DWR would continue to track on-the-ground performance, monitor land elevation, and assess the direct impacts of regional subsidence.

Mr. Edmonds added that the strategy of hosting basin-specific meetings directly acknowledged the difficult timing for local agencies just as the final BMP was released and pointed out that because the draft BMP was available during water year 2025, DWR would look for references to the new guidelines as they reviewed the latest annual reports to see how local agencies addressed the subsidence sustainability indicator.

Mr. Springhorn emphasized that DWR understood ground-level dynamics by listening to local voices, noting that public comments had been actively coming in and stressed the importance of these submissions and encouraged individuals to continue sharing their perspectives to help shape the understanding of what was being experienced within the different subbasins.

Commissioner Gallagher expressed encouragement over the progress of managed recharge in Colusa and Yolo counties, noting that the governor's executive order had successfully eased past permitting hurdles and emphasized that recharge is vital for both water sustainability and local economies and asked what remaining barriers local agencies were experiencing that still prevented wider adoption of these practices.

Mr. Springhorn agreed that momentum had built around the two core levers of SGMA: increasing water supply and reducing demand and noted that since the 2017 Flood-MAR initiative and the governor's 2022 water supply strategy, the State had worked to streamline permitting, with 2023 executive orders successfully unlocking 400,000 acre-feet of recharge. This progress led to water code updates and current legislative efforts, like the Aguiar-Curry bill [AB 2026], to further scale up responsible recharge and emphasized that local meetings remained vital because solving decades of subsidence required understanding specific regional obstacles rather than applying a one-size-fits-all solution.

Commissioner Hurt sought to look at the issue from a community member's perspective, questioning how groundwater reduction trends would affect local drinking water and wondered if land subsidence was merely a symptom of a much broader water stress problem, asking for advice on how everyday community members could adjust their historical habits to better address these challenges today.

Mr. Edmonds explained that SGMA required local agencies to identify all groundwater users and detail potential impacts to increase transparency and protect domestic wells over the law's 20-year timeline and noted that the new subsidence BMP built on this framework, applying a sharp, renewed focus to help agencies prioritize local interventions before irreversible damage occurred.

Commissioner Hurt thanked the previous presenter for clarifying the term "subsidence" and applauded DWR for holding in-person meetings and emphasized that defining common acronyms, like the Sustainable Groundwater Management Act (SGMA), was a critical detail that local community members appreciated for clarity. It was also noted, the rise of emerging environmental risks, specifically highlighting groundwater pollution and PFAS, and asked how the department was currently monitoring or considering these specific water quality issues in relation to shifting groundwater trends.

Mr. Springhorn emphasized that boosting community engagement and fostering transparency remained critical, ongoing tasks for local agencies working to protect domestic well owners, noted that the core symptoms of groundwater overdraft, including land subsidence, ultimately stemmed from excessive pumping that must be balanced with targeted recharge and demand

management and clarified that while newer regulations intersect with historical water quality challenges like PFAS, separate regulatory frameworks continue to handle those distinct pollution issues.

Commissioner Steiner proposed reconvening the panels late in the year to review the successes and unexpected issues arising from groundwater trading and discussed alternative water sources like recycled or brackish water for recharge, noting the financial challenges of using high-cost water for basin replenishment and praised the encouraging recharge charts and thanked the team on behalf of the commissioners for their vital work on groundwater sustainability.

Mr. Springhorn emphasized that accurate basin accounting was the critical foundation for water allocations, trading markets, and effective demand management and highlighted that groundwater management data and legislative recharge recommendations from Senate Bills 72 and 659 would be integrated directly into the California Water Plan to continue gathering vital public feedback.

Mr. Morgan agreed that accurate accounting and precise recharge tracking were the foundational building blocks for successful groundwater trading programs and explained that early markets often awarded credits for recharge, making it vital to verify that water actually entered and remained in the ground to protect demand management and emphasized that DWR would focus on uniting these elements to build a reliable foundation for future water trading.

**12. Legislative Update**

Kasey Schimke, Deputy Director of Legislative Affairs, reported that the legislature was halfway through its session, noted that both appropriations committees had recently advanced bills with fiscal content ahead of full floor votes and the subsequent house swap and highlighted tracking efforts across diverse areas like energy, tribal policy, and data center water use, focusing on bills that task DWR with creating local water management guidelines. Mr. Schimke discussed an AB 2215 (Calderon), a bill to extend the time periods for application of beneficial water use and complete the construction work for specified water permits for the SWP to 2085; AB 35 (Alvarez), an administrative exemption bill aimed at speeding up Proposition 4 bond funding by allowing guidelines instead of formal regulations; and detailed progress on AB 2026 (Aguiar-Curry) which would expedite groundwater recharge permitting; and SB 872 (McNerney) which would establish a Delta levee and canal subsidence fund for maintaining Delta water quality and preserve and protect Delta levees.

Commissioner Matusmoto asked for clarification on whether the bill (SB 872) dealt specifically with Delta canal and regional subsidence, or if it addressed general subsidence on a statewide level.

Mr. Schimke clarified that the bill was intended to provide DWR with funding to address subsidence affecting its infrastructure, specifically along stretches of the California Aqueduct.

They explained that historic land sinking had caused parts of the canal to dip, which decreased its capacity to flow water efficiently and forced operators to keep water levels lower to manage the altered elevation.

Commissioner Elliott asked for clarification if the funds were Proposition 4 and if the future fund sources were general fund or greenhouse gas reduction funds and about the purpose of the AB 35 Administrative Procedures Act (APA) exemption during the prior year, inquiring why that specific exemption had been sought.

Mr. Schimke explained that the previous year's budget had granted the ability to use streamlined guidelines instead of formal regulations under the Administrative Procedures Act to speed up the rollout of newly created Proposition 4 grant programs and noted that while guidelines still required a public comment period, they successfully bypassed the lengthy approval backlog managed by the Office of Administrative Law. However, because the newly proposed budget lacked that same regulatory exemption, agencies would be forced to write formal regulations for programs that were already running under guidelines, though the speaker expressed confidence that the legislature would ultimately resolve this issue during their budget balancing process.

Commissioner Elliott asked what the purpose was for modifying the process from promulgating formal regulations to using streamlined guidelines, specifically inquiring how it affected the overall speed of the rollout.

Mr. Schimke noted that past bond acts from the 2000s, such as Proposition 50 and Proposition 84, had similarly used guideline language in lieu of formal regulations and explained that while Proposition 1 had relied primarily on existing statutory programs, the historical purpose of switching to guidelines was to allow funding to be expended more quickly while still retaining public input.

Commissioner Steiner noted that their agency was one of the entities that disbursed money under Proposition 4, having used the streamlined guidelines most recently to expedite the distribution of those funds and expressed appreciation for the continuation of that strategy, highlighting that it successfully accelerated the process while still ensuring the money was strictly and specifically directed exactly where it was intended to go.

Executive Officer Jensen clarified that their agency had actually used emergency regulations rather than the streamlined guidelines process to navigate the many different permutations of Proposition 1 and explained that this alternative approach allowed them to move quickly while still officially and formally promulgating the necessary regulations for the funding.

**13. Consideration of Items for Next California Water Commission Meeting**
At the June meeting, the Commission will receive its regular WSIP update and hear presentations from Commission staff, representatives from the Sites Project Authority, and

staff from California Department of Water Resources and Department of Fish and Wildlife on the Sites Reservoir Project. These presentations will include a virtual tour of the Sites Project, an overview of the draft CAPBs, and consideration of a supplemental funding determination.

**14. Adjourn**
The Commission adjourned at approximately 2:50 PM.