

Minutes of the Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota Groundwater Sustainability Agency

Thursday, September 25, 2025, 10:00 AM **DRAFT**

Board Room, San Luis & Delta-Mendota Water Authority
842 6th St., Los Banos, CA 93635

Central Delta-Mendota Region Management Committee Members and Alternates Present

Amy Montgomery*, Member – Santa Nella County Water District (SNCWD)
Damian Aragona, Member – Widren Water District
Danny Wade*, Alternate – Fresno Slough Water District & Member – Tranquillity Irrigation District (FSWD/TQID)
Wayne Western*, Member – Panoche Water District
Randy Miles*, Member – Eagle Field Water District (EFWD)
Hugh Bennett*, Alternate – EFWD
Steve Stadler*, Member – San Luis Water District (SLWD)
Lacey McBride*, Merced County
Chase Hurley*, Pacheco Water District

*Indicates representative, alternate, or second alternate of Central Delta-Mendota GSA

Absent

Oro Loma Water District
Fresno County
Mercy Springs Water District

Others Present

Patrick McGowan – Panoche Water District
Brian Silva – SLWD
Sam Cunningham – Provost & Pritchard (P&P)

Others Present Via Zoom

John Brodie
Natalie Cochran – Woodard & Curran
Jessica Johnson – Baker Manock & Jensen (BMJ)
Palmer McCoy – Mercy Springs Water District
Joe Hopkins – P&P
Juan Cadena, –Mercy Springs Water District
Leta Spencer – Silvertip
Gilbert Torres – Fresno County
Tara Khan – MLJ Environmental
Manny Amorelli – James ID
Hannah Dickenson – P&P
Scott Petersen – San Luis & Delta Mendota Water Authority (SLDMWA)

1. Call to Order/Roll Call

Vice Chair Amy Montgomery/SNCWD called the meeting to order at 10:00 AM.

2. Committee to Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 et seq.

There were no corrections or additions to the agenda.

3. Opportunity for Public Comment

There was no public comment.

4. Committee to Review and Take Action on Consent Calendar (Barcellos)

- a. Minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA
- b. Budget-to-Actual Report

Vice Chair Amy Montgomery/SNCWD asked for a motion to approve the Consent Calendar. Steve Stadler/SLWD requested that Item 4.a. (Minutes for the July 24, 2025 Special Joint Meeting) be pulled from the Consent Calendar for discussion.

- 4.a.** Steve Stadler/SLWD requested that the minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA be amended to add “San Luis Water District” to the attendee list as “Absent”. Patrick McGowan/Panoche Water District also requested that the number “5” be amended to “7” in Item 10.

Wayne Western/Panoche Water District made a motion to approve the amended Minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA. Steve Stadler/SLWD seconded. The motion was carried unanimously.

- 4.b.** Steve Stadler/SLWD made a motion to approve the remainder of the Consent Calendar. Wayne Western/Panoche Water District seconded. The motion carried unanimously.

5. GSA to Review and Take Action on Consent Calendar (Montgomery)

- a. Minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA

Steve Stadler/SLWD made the motion to approve the Central Delta-Mendota GSA Consent Calendar with the same amendments as approved in Item 4.a. Wayne Western seconded. The motion carried unanimously.

6. GSA to Review and Consider Adopting the Delta-Mendota Subbasin Domestic Well Mitigation Policy (Cunningham)

Sam Cunningham (P&P) introduced the item and stated that the policy document was provided to the Board following the cancellation of the August meeting. Chase Hurley/Pacheco Water District stated that the plan is a component of meeting the State Water Resources Control Board’s expectations to avoid probation, and the Coordination Committee recommended that GSAs approve the plan.

Wayne Western/Panoche Water District made the motion to adopt the Delta-Mendota Subbasin Domestic Well Mitigation Policy. Danny Wade/TIID seconded. The motion carried unanimously.

7. GSA to Review and Consider Adopting the Delta-Mendota Subbasin GSAs Joint Powers Authority (JPA) Agreement (Layne)

Chase Hurley/Pacheco Water District stated that the agreement has been through several rounds of GSA review. Amy Montgomery/SNCWD asked if the members of the Central Delta-Mendota GSA JPA had received board approval. No present GSA member representatives voiced concern.

Danny Wade/TID made the motion to adopt the Delta-Mendota Subbasin GSAs Joint Powers Authority (JPA) Agreement. Randy Miles (EFWD) seconded the motion. The motion carried unanimously.

8. Report of the Representative to the Coordination Committee (Hurley)

Chase Hurley/Pacheco Water District stated that the timeline for receiving a recommendation from State Board staff to return the Delta-Mendota Subbasin to DWR oversight is still expected in March of 2026. Mr. Hurley also stated that the group is working through the Interconnected Surface Water program and there are ongoing discussions regarding the representative monitoring sites (RMS) and data collection.

9. Report from Agencies on Meter Installation Status (All)

Chase Hurley/Pacheco Water District introduced the item and the intent for member agencies to share the status of their compliance with GSA Administrative Policy #2, regarding meter installation. The members present indicated that all agricultural production wells within their jurisdiction are metered. Steve Stadler/SLWD suggested that this item remain on the agenda until absent members have reported on their statuses.

10. Committee/GSA Signatures Received on the Domestic Well Funding MOU and Letter (Cunningham)

Sam Cunningham/P&P provided the update that all members of the Central Delta-Mendota Region and GSA have signed the Domestic Well Funding MOU and acknowledged acceptance of the Fiscal Year 2026 SS-MOA Participation Percentage Letter, except for Merced County and Fresno County. Lacey McBride/Merced County shared that it is on the Board of Supervisors agenda for October.

II. Committee/GSA to Discuss Administrative Program and Fiscal Management Structure for GSP Implementation in the Central Delta-Mendota Region in FY26/27 (Layne)

Jessica Johnson/BMJ stated that the Water Authority is preparing Requests for Proposals (RFPs) on-behalf of the Delta-Mendota Subbasin GSAs JPA that are intended to allow the JPA to stand on its own. The services within the Central Delta-Mendota Region could be rolled up into the RFP process being administered by the Water Authority. The Committee expressed an interest in developing an RFP for services specific to the Central Delta-Mendota Region, with the goal of being ready for services to begin on March 1. Scott Petersen/SLDMWA stated that he can work with the Committee to discuss the appropriate options and budgeting procedures. Amy Montgomery/SNCWD will reach out to Mr. Petersen to discuss this item further. The Ad

Hoc Committee will discuss the items to be included in a Scope of Work and present options for legal review.

12. Committee/GSA to Discuss Implementation of Pumping Reduction Plans (Hurley/Mani)

Chase Hurley/Pacheco Water District stated that the plan is being implemented and there are several wells near the Delta-Mendota Canal that are not pumping. Patrick McGowan/Panoche Water District provided an update on RMS 18.

13. Committee/GSA to Discuss Water Level and Water Quality Data (Dumas)

Natalie Cochran/W&C reminded the group that water level and water quality data should have been provided by the end of August. Follow up emails have been sent to those who have not submitted data.

14. Committee/GSA to Discuss SGMA Round 1 Implementation Grant Activities (Dumas)

Natalie Cochran/W&C requested that deliverables be submitted to W&C as they are completed. Lacey McBride/Merced County provided an update that the well funded through the grant was completed this week.

15. Ad Hoc Committee to Discuss Findings of Potential Cost Savings for Implementing a Well Registration Platform or Software through a Third-Party Consultant (Montgomery)

Amy Montgomery/SNCWD stated that she has received the pumping data from W&C and asked for direction on if it should be shared with the entire group. The group agreed that that data can be shared. Amy Montgomery/SNCWD further stated that the Ad Hoc will meet to discuss a scope of work and RFP for services in the Region in the next fiscal year. Chase Hurley/Pacheco Water District stated that the Ad Hoc should also be considering the development of a well inventory. The Ad Hoc has received proposals from vendors and can consider incorporating those services into the forthcoming RFP.

16. Update on the Central Delta-Mendota Website (Montgomery)

Amy Montgomery/SNCWD stated that the website for the Central Delta-Mendota GSA is now up and running and is currently being run out of her office. Management of the website will be a component of the RFP. The URL for the address is as follows:
www.cdm-gsa.com

17. Next Steps

- a. The minutes for the July 24, 2025 Special Joint Meeting will be amended as noted
- b. P&P will continue tracking MOU signatures
- c. Ad Hoc Committee will meet to develop a scope of work and possible RFP for management and financial services in the next fiscal year
- d. Any outstanding Water Level and Water Quality data must be submitted to W&C
- e. Deliverables under the SGMA Round 1 grant should be submitted to W&C as they are completed
- f. Amy Montgomery/SNCWD will send the pumping data to the member agencies

18. **Reports Pursuant to Government Code Section 54954.2(a)(3)**

There were no reports provided

19. **Conference with Legal Counsel – Existing Litigation (1 case).**

California Sportfishing Protection Alliance v. All Persons Interested in the Matter of the Validity of the Northern and Central Delta-Mendota Regions Groundwater Sustainability Plan, et al., Stanislaus County Superior Court, Case No. CV-20-001748, Merced County Superior Court, Case No. 21CV-01691.

Jessica Johnson/BMJ reported no developments in the litigation and no need to meet in closed session.

20. **Conference with Legal Counsel – Anticipated Litigation (1 case)**

The Committee decided there was no need to meet in closed session at 10:58 AM.

21. **Report Out of Closed Session**

There was no closed session.

22. **Future Meetings**

- a. Central Delta-Mendota Region Management Committee
 - i. Thursday, October 23, 2025 at 10:00 AM (SLDMWA Board Room)
 - ii. Thursday, November 20, 2025 at 10:00 AM (Santa Nella County Water District)
- b. Central Delta-Mendota GSA
 - i. Thursday, October 23, 2025 at 10:00 AM (SLDMWA Board Room)
 - ii. Thursday, November 20, 2025 at 10:00 AM (Santa Nella County Water District)
- c. Delta-Mendota Subbasin Coordination Committee
 - i. Monday, October 13, 2025 at 1:00 PM
 - ii. Monday, November 10, 2025 at 1:00 PM

23. **ADJOURNMENT**

Amy Montgomery/SNCWD adjourned the meeting at 10:59 AM.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MARCH 1, 2025 - FEBRUARY 28, 2026
SUSTAINABLE GROUNDWATER MANAGEMENT ACT SERVICES AGREEMENT
ACTIVITY AGREEMENTS BUDGET TO ACTUAL
CENTRAL DELTA-MENDOTA REGION (FUND 65)

Report Period 3/1/25 - 08/31/25

EXPENDITURES	Annual Budget	Paid/ Expense	Amount Remaining	% of Amt Remaining	Expenses Through
<u>Legal:</u>					
Baker Manock & Jensen	\$ 35,000	\$ 21,682	\$ 13,318	38%	8/4/25
<u>Other Professional Services:</u>					
Contracts	\$ 363,028	\$ 58,096	\$ 304,932	84%	8/11/25
<u>Other:</u>					
Executive Director	\$ 500	\$ -	\$ 500	100%	
General Counsel	\$ 1,500	\$ -	\$ 1,500	100%	
Water Policy Director	\$ 20,000	\$ 2,968	\$ 17,032	85%	8/31/25
In-House Staff	\$ 2,500	\$ 1,306	\$ 1,194	48%	8/31/25
Hydrotech 3	\$ 24,423	\$ 9,058	\$ 15,365	63%	8/31/25
Conferences & Training	\$ 1,000	\$ -	\$ 1,000	100%	
Travel/Mileage	\$ 2,000	\$ 15	\$ 1,985	99%	4/24/25
Group Meetings	\$ 1,000	\$ -	\$ 1,000	100%	
Telephone	\$ 500	\$ -	\$ 500	100%	
Total Expenditures	\$ 451,451	\$ 93,125	\$ 358,326	79%	

Minutes of the Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota Groundwater Sustainability Agency

Thursday, September 25, 2025, 10:00 AM **DRAFT**

Board Room, San Luis & Delta-Mendota Water Authority
842 6th St., Los Banos, CA 93635

Central Delta-Mendota Region Management Committee Members and Alternates Present

Amy Montgomery*, Member – Santa Nella County Water District (SNCWD)
Damian Aragona, Member – Widren Water District
Danny Wade*, Alternate – Fresno Slough Water District & Member – Tranquillity Irrigation District (FSWD/TQID)
Wayne Western*, Member – Panoche Water District
Randy Miles*, Member – Eagle Field Water District (EFWD)
Hugh Bennett*, Alternate – EFWD
Steve Stadler*, Member – San Luis Water District (SLWD)
Lacey McBride*, Merced County
Chase Hurley*, Pacheco Water District

*Indicates representative, alternate, or second alternate of Central Delta-Mendota GSA

Absent

Oro Loma Water District
Fresno County
Mercy Springs Water District

Others Present

Patrick McGowan – Panoche Water District
Brian Silva – SLWD
Sam Cunningham – Provost & Pritchard (P&P)

Others Present Via Zoom

John Brodie
Natalie Cochran – Woodard & Curran
Jessica Johnson – Baker Manock & Jensen (BMJ)
Palmer McCoy – Mercy Springs Water District
Joe Hopkins – P&P
Juan Cadena, –Mercy Springs Water District
Leta Spencer – Silvertip
Gilbert Torres – Fresno County
Tara Khan – MLJ Environmental
Manny Amorelli – James ID
Hannah Dickenson – P&P
Scott Petersen – San Luis & Delta Mendota Water Authority (SLDMWA)

1. Call to Order/Roll Call

Vice Chair Amy Montgomery/SNCWD called the meeting to order at 10:00 AM.

2. Committee to Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 et seq.

There were no corrections or additions to the agenda.

3. Opportunity for Public Comment

There was no public comment.

4. Committee to Review and Take Action on Consent Calendar (Barcellos)

- a. Minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA
- b. Budget-to-Actual Report

Vice Chair Amy Montgomery/SNCWD asked for a motion to approve the Consent Calendar. Steve Stadler/SLWD requested that Item 4.a. (Minutes for the July 24, 2025 Special Joint Meeting) be pulled from the Consent Calendar for discussion.

- 4.a.** Steve Stadler/SLWD requested that the minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA be amended to add “San Luis Water District” to the attendee list as “Absent”. Patrick McGowan/Panoche Water District also requested that the number “5” be amended to “7” in Item 10.

Wayne Western/Panoche Water District made a motion to approve the amended Minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA. Steve Stadler/SLWD seconded. The motion was carried unanimously.

- 4.b.** Steve Stadler/SLWD made a motion to approve the remainder of the Consent Calendar. Wayne Western/Panoche Water District seconded. The motion carried unanimously.

5. GSA to Review and Take Action on Consent Calendar (Montgomery)

- a. Minutes for the July 24, 2025 Special Joint Meeting of the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA

Steve Stadler/SLWD made the motion to approve the Central Delta-Mendota GSA Consent Calendar with the same amendments as approved in Item 4.a. Wayne Western seconded. The motion carried unanimously.

6. GSA to Review and Consider Adopting the Delta-Mendota Subbasin Domestic Well Mitigation Policy (Cunningham)

Sam Cunningham (P&P) introduced the item and stated that the policy document was provided to the Board following the cancellation of the August meeting. Chase Hurley/Pacheco Water District stated that the plan is a component of meeting the State Water Resources Control Board’s expectations to avoid probation, and the Coordination Committee recommended that GSAs approve the plan.

Wayne Western/Panoche Water District made the motion to adopt the Delta-Mendota Subbasin Domestic Well Mitigation Policy. Danny Wade/TID seconded. The motion carried unanimously.

7. GSA to Review and Consider Adopting the Delta-Mendota Subbasin GSAs Joint Powers Authority (JPA) Agreement (Layne)

Chase Hurley/Pacheco Water District stated that the agreement has been through several rounds of GSA review. Amy Montgomery/SNCWD asked if the members of the Central Delta-Mendota GSA JPA had received board approval. No present GSA member representatives voiced concern.

Danny Wade/TID made the motion to adopt the Delta-Mendota Subbasin GSAs Joint Powers Authority (JPA) Agreement. Randy Miles (EFWD) seconded the motion. The motion carried unanimously.

8. Report of the Representative to the Coordination Committee (Hurley)

Chase Hurley/Pacheco Water District stated that the timeline for receiving a recommendation from State Board staff to return the Delta-Mendota Subbasin to DWR oversight is still expected in March of 2026. Mr. Hurley also stated that the group is working through the Interconnected Surface Water program and there are ongoing discussions regarding the representative monitoring sites (RMS) and data collection.

9. Report from Agencies on Meter Installation Status (All)

Chase Hurley/Pacheco Water District introduced the item and the intent for member agencies to share the status of their compliance with GSA Administrative Policy #2, regarding meter installation. The members present indicated that all agricultural production wells within their jurisdiction are metered. Steve Stadler/SLWD suggested that this item remain on the agenda until absent members have reported on their statuses.

10. Committee/GSA Signatures Received on the Domestic Well Funding MOU and Letter (Cunningham)

Sam Cunningham/P&P provided the update that all members of the Central Delta-Mendota Region and GSA have signed the Domestic Well Funding MOU and acknowledged acceptance of the Fiscal Year 2026 SS-MOA Participation Percentage Letter, except for Merced County and Fresno County. Lacey McBride/Merced County shared that it is on the Board of Supervisors agenda for October.

II. Committee/GSA to Discuss Administrative Program and Fiscal Management Structure for GSP Implementation in the Central Delta-Mendota Region in FY26/27 (Layne)

Jessica Johnson/BMJ stated that the Water Authority is preparing Requests for Proposals (RFPs) on-behalf of the Delta-Mendota Subbasin GSAs JPA that are intended to allow the JPA to stand on its own. The services within the Central Delta-Mendota Region could be rolled up into the RFP process being administered by the Water Authority. The Committee expressed an interest in developing an RFP for services specific to the Central Delta-Mendota Region, with the goal of being ready for services to begin on March 1. Scott Petersen/SLDMWA stated that he can work with the Committee to discuss the appropriate options and budgeting procedures. Amy Montgomery/SNCWD will reach out to Mr. Petersen to discuss this item further. The Ad

Hoc Committee will discuss the items to be included in a Scope of Work and present options for legal review.

12. Committee/GSA to Discuss Implementation of Pumping Reduction Plans (Hurley/Mani)

Chase Hurley/Pacheco Water District stated that the plan is being implemented and there are several wells near the Delta-Mendota Canal that are not pumping. Patrick McGowan/Panoche Water District provided an update on RMS 18.

13. Committee/GSA to Discuss Water Level and Water Quality Data (Dumas)

Natalie Cochran/W&C reminded the group that water level and water quality data should have been provided by the end of August. Follow up emails have been sent to those who have not submitted data.

14. Committee/GSA to Discuss SGMA Round 1 Implementation Grant Activities (Dumas)

Natalie Cochran/W&C requested that deliverables be submitted to W&C as they are completed. Lacey McBride/Merced County provided an update that the well funded through the grant was completed this week.

15. Ad Hoc Committee to Discuss Findings of Potential Cost Savings for Implementing a Well Registration Platform or Software through a Third-Party Consultant (Montgomery)

Amy Montgomery/SNCWD stated that she has received the pumping data from W&C and asked for direction on if it should be shared with the entire group. The group agreed that that data can be shared. Amy Montgomery/SNCWD further stated that the Ad Hoc will meet to discuss a scope of work and RFP for services in the Region in the next fiscal year. Chase Hurley/Pacheco Water District stated that the Ad Hoc should also be considering the development of a well inventory. The Ad Hoc has received proposals from vendors and can consider incorporating those services into the forthcoming RFP.

16. Update on the Central Delta-Mendota Website (Montgomery)

Amy Montgomery/SNCWD stated that the website for the Central Delta-Mendota GSA is now up and running and is currently being run out of her office. Management of the website will be a component of the RFP. The URL for the address is as follows:
www.cdm-gsa.com

17. Next Steps

- a. The minutes for the July 24, 2025 Special Joint Meeting will be amended as noted
- b. P&P will continue tracking MOU signatures
- c. Ad Hoc Committee will meet to develop a scope of work and possible RFP for management and financial services in the next fiscal year
- d. Any outstanding Water Level and Water Quality data must be submitted to W&C
- e. Deliverables under the SGMA Round 1 grant should be submitted to W&C as they are completed
- f. Amy Montgomery/SNCWD will send the pumping data to the member agencies

18. Reports Pursuant to Government Code Section 54954.2(a)(3)

There were no reports provided

19. Conference with Legal Counsel – Existing Litigation (1 case).

California Sportfishing Protection Alliance v. All Persons Interested in the Matter of the Validity of the Northern and Central Delta-Mendota Regions Groundwater Sustainability Plan, et al., Stanislaus County Superior Court, Case No. CV-20-001748, Merced County Superior Court, Case No. 21CV-01691.

Jessica Johnson/BMJ reported no developments in the litigation and no need to meet in closed session.

20. Conference with Legal Counsel – Anticipated Litigation (1 case)

The Committee decided there was no need to meet in closed session at 10:58 AM.

21. Report Out of Closed Session

There was no closed session.

22. Future Meetings

- a. Central Delta-Mendota Region Management Committee
 - i. Thursday, October 23, 2025 at 10:00 AM (SLDMWA Board Room)
 - ii. Thursday, November 20, 2025 at 10:00 AM (Santa Nella County Water District)
- b. Central Delta-Mendota GSA
 - i. Thursday, October 23, 2025 at 10:00 AM (SLDMWA Board Room)
 - ii. Thursday, November 20, 2025 at 10:00 AM (Santa Nella County Water District)
- c. Delta-Mendota Subbasin Coordination Committee
 - i. Monday, October 13, 2025 at 1:00 PM
 - ii. Monday, November 10, 2025 at 1:00 PM

23. ADJOURNMENT

Amy Montgomery/SNCWD adjourned the meeting at 10:59 AM.

Central Delta-Mendota GSA
Statement of Income and Expenses

Adopted Budget Fiscal Year 2025-26 <i>Budget to Actual</i>	2nd Qtr June, July, August 2025-26			Remaining Budget
	Budget		FYTD	
Operating Revenues				
4000 Member Contributions	\$ 40,000.00	\$ -	\$ 40,000.00	-
4100 Interest Income	-	1.76	3.46	(3.46)
4300 Other Income	-	-	-	-
Total Operating Revenues	40,000.00	1.76	40,003.46	
Operating Expenses				
<i>Administration:</i>				
5275 Bank Fees	50.00	-	-	50.00
5300 Office Supplies	400.00	-	-	400.00
5325 Regularatory Fees	250.00	-	-	250.00
5500 Insurance Expense	500.00	-	-	500.00
5510 Website Domain	90.00	7.47	7.47	82.53
5520 Website Hosting	300.00	210.00	420.00	(120.00)
Total Administration Expenses	1,590.00	217.47	427.47	
<i>Professional Services:</i>				
5425 Auditor Fees	9,750.00	-	-	9,750.00
5450 Legal Fees/District	18,000.00	-	-	18,000.00
5475 Consultant Fee (SLDMWA)	8,000.00	-	-	8,000.00
Total Professional Services	35,750.00	-	-	
6000 Website Set Up	2,000.00	1,868.75	1,868.75	
Total Operating Expenses	39,340.00	2,086.22	2,296.22	
Net Operating Revenue	\$ 660.00	\$ (2,084.46)	\$ 37,707.24	

Central Delta-Mendota GSA
Investment Report

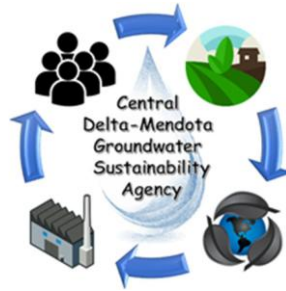
2nd Quarter FY 2025-26

June, July, August

Current Assets		2nd Quarter	1st Quarter	% Change
Unrestricted Funds				
1000-00	Wells Fargo Checking Account	\$ 50,599.30	\$ 70,029.89	-38.40%
Total Current Assets		<u>\$ 50,599.30</u>	<u>\$ 70,029.89</u>	-38.40%

The Central Delta-Mendota GSA will meet operational expenditure requirements for the next six months.

**Government Code Section 66006(a): If a local agency requires the payment of a fee specified in subdivision (c) in connection with the approval of a development project, the local agency receiving the fee shall deposit it with the other fees for the improvement in a separate capital facilities account or fund in a manner to avoid any comingling of the fees with other revenues and funds of the local agency, except for temporary investments, and expend those fees solely for the purpose for which the fee was collected. Any interest income earned by the moneys in the capital facilities account or fund shall also be deposited in that account or fund and shall be expended only for the purpose for which the fee was originally collected.*



MEMORANDUM

TO: Central Delta-Mendota Groundwater Sustainability Agency
Agenda Item 6

FROM: Sam Cunningham, Provost & Pritchard Consulting Group

DATE: October 23, 2025

RE: GSA to Review and Consider Accepting the Findings of the Independent Auditor's Report and Financial Statements for the Central Delta-Mendota Groundwater Sustainability Agency for the Fiscal Year ending February 28, 2025

ISSUE FOR DECISION

Accept the findings of the Independent Auditor's Report and Financial Statements for the Central Delta-Mendota Groundwater Sustainability Agency for the Fiscal Year ending February 28, 2025.

RECOMMENDATION

Accept the findings within the Auditor's Report.

DISCUSSION

The report, prepared by Bryant L. Jolley Certified Public Accountants, found that the financial statements of the Central Delta-Mendota Groundwater Sustainability Agency (GSA) fairly present the financial position of the GSA, as of February 28, 2025. Additionally, the changes in the GSAs financial position and cash flows for the year ended in accordance with accounting principles generally accepted in the United States.

**CENTRAL DELTA-MENDOTA
GROUNDWATER SUSTAINABILITY
AGENCY**

**INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
FEBRUARY 28, 2025**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1 – 2
FINANCIAL STATEMENTS:	
Statement of Net Position	3
Statement of Revenues, Expenses and Changes in Net Position	4
Statement of Cash Flows	5
Notes to Financial Statements	6 – 8

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Central Delta-Mendota Groundwater Sustainability Agency
Santa Nella, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Central Delta-Mendota Groundwater Sustainability Agency ("the Agency"), as of and for the fiscal year ended February 28, 2025 and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of February 28, 2025 and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

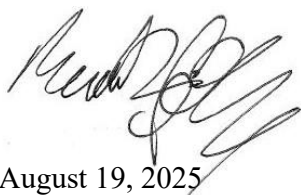
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.



August 19, 2025

CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY

STATEMENT OF NET POSITION

FEBRUARY 28, 2025

ASSETS

Current assets

Cash	\$ 54,429
Total current assets	<u>54,429</u>
Total assets	<u>54,429</u>

LIABILITIES

Current liabilities

Accounts payable	<u>18,322</u>
Total current liabilities	<u>18,322</u>
Total liabilities	<u>18,322</u>

NET POSITION

Unrestricted	<u>36,107</u>
Total net position	<u><u>\$ 36,107</u></u>

CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEAR ENDED FEBRUARY 28, 2025

Operating Revenues

Member fees	\$ 37,000
Total operating revenues	<u>37,000</u>

Operating Expenses

Legal expense	20,100
Consulting	2,275
Audit fees	9,000
Office expense	<u>678</u>
Total operating expenses	<u>32,053</u>
Operating income/(loss)	<u>4,947</u>

Nonoperating Revenues/(Expenses)

Interest income	<u>6</u>
Total nonoperating revenues/(expenses)	<u>6</u>

Change in Net Position

4,953

Net Position

Beginning of year	<u>31,154</u>
End of year	<u>\$ 36,107</u>

CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY

STATEMENT OF CASH FLOWS YEAR ENDED FEBRUARY 28, 2025

Operating Activities

Receipts from member agencies	\$ 37,000
Payments to suppliers for goods and services	<u>(19,341)</u>
Net cash provided by (used in) operating activities	<u>17,659</u>

Investing Activities

Interest received	<u>6</u>
Net cash provided by investing activities	<u>6</u>

Net Increase in Cash

17,665

Cash and Cash Equivalents

Beginning of year	<u>36,764</u>
End of year	<u>\$ 54,429</u>

Cash Flows from Operating Activities

Operating income (loss)	\$ 4,947
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
(Increase) Decrease in prepaids	256
Increase (Decrease) in accounts payable	<u>12,456</u>

Net Cash provided by (used in) Operating Activities

\$ 17,659

CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY

NOTES TO FINANCIAL STATEMENTS YEAR ENDED FEBRUARY 28, 2025

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Central Delta-Mendota Groundwater Sustainability Agency (Agency) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Agency are described below:

Reporting Entity

Central Delta-Mendota Groundwater Sustainability Agency is a California joint powers authority created in August of 2019. As of February 28, 2025, the Agency's Joint Powers Agreement voting members consisted of the following local water districts and counties: Eagle Field Water District, County of Fresno, Fresno Slough Water District, County of Merced, Mercy Springs Water District, Pacheco Water District, Panoche Water District, San Luis Water District, Santa Nella County Water District, and Tranquility Irrigation District (collectively the Parties). The Agency is separate from and derives no financial support from its members. The Agency is governed by a Board of Directors whose membership is composed of appointed officials representing each of the voting members.

The Agency was created to implement the Sustainable Groundwater Management Act (SGMA) requirements and achieve the sustainability goals provided in SGMA by developing, adopting, submitting, implementing, enforcing, and revising a Groundwater Sustainability Plan (GSP) for the Central Delta-Mendota Region, which may be part of a broader GSP coordinated with other GSAs in the Delta-Mendota Subbasin, and to exercise all powers and authorities of a Groundwater Sustainability Agency (GSA) under SGMA.

In August and September 2014, the California Legislature passed, and the Governor signed, respectively, legislation creating SGMA to provide local groundwater agencies with the authority, technical and financial assistance necessary to sustainably manage groundwater. SGMA provides that each groundwater basin or subbasin may be regulated by one or more GSAs. Groundwater sustainability is achieved through GSPs and the Agency has fully participated in development of a GSP for the Central Delta-Mendota Region.

Basis of Accounting

The Agency accounts for its operations in an enterprise fund using the economic resources measurement focus and the accrual basis of accounting. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific government activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY

NOTES TO FINANCIAL STATEMENTS YEAR ENDED FEBRUARY 28, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Basis of Accounting (continued)

The Agency's Enterprise Fund financial statements report business-type activities financed in whole or in part by member fees. Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges such as member fees.

The Agency distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Agency's principal on-going operations. The principle operating revenues of the Agency are member fees. Operating expenses for enterprise funds include consulting and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Financial Statement Amounts

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Agency considers all highly liquid investments including cash to be cash equivalents.

Accounts Receivable – Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. The Proprietary Funds include a year end accrual for services through the end of the fiscal year which have not yet been billed. As of February 28, 2025, there was no balance.

Accounts Payable – As of February 28, 2025, the accounts payable balance was \$18,322, which consisted of services, and/or goods received but have not been paid.

Unearned Revenues – Unearned revenue is that for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Agency typically records unearned revenue related to revenues received but not earned. As of February 28, 2025, there was no balance.

Net Position – The financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

- **Net Investment in Capital Assets** – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- **Restricted Net Position** – This category presents external restrictions on net assets imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – This category represents net position of the Agency not restricted for any project or other purpose.

CENTRAL DELTA-MENDOTA GROUNDWATER SUSTAINABILITY AGENCY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Cash and Investments

Cash and investments as of February 28, 2025 consist of the following:

Deposits with financial institutions	\$ 54,429
Total Cash and Investments	<u>\$ 54,429</u>

The Agency’s bank deposits at year end totaled \$54,429 in demand deposits and were fully insured.

Note 3 – Subsequent Events

The Agency evaluated subsequent events for recognition and disclosure through August 19, 2025, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since February 28, 2025 that required recognition or disclosure in such financial statements.



MEMORANDUM

TO: Central Delta-Mendota Management Committee and Central Delta-Mendota GSA
Agenda Item 8

FROM: Sam Cunningham, Provost & Pritchard Consulting Group

DATE: October 23, 2025

RE: Committee/GSA to Discuss the Organizational Structure and SGMA implementation support for the Central Delta-Mendota Region Under the Delta-Mendota Subbasin GSAs Joint Powers Authority

ISSUE FOR DECISION

Under what governance structure the Central Delta-Mendota Region Management Committee and Central Delta-Mendota GSA wish to proceed to implement Central Delta-Mendota region SGMA implementation activities within the new Delta-Mendota Subbasin GSAs JPA.

RECOMMENDATION

There is no staff recommendation.

DISCUSSION

Background

In 2023, the San Luis & Delta-Mendota Water Authority (Water Authority) adopted a Strategic Plan, which directed staff to, amongst other activities, regularly review and analyze the participation of the Water Authority in Activity Agreements. As part of that analysis, a number of Activity Agreements were identified as candidates to eliminate, including serving as a fiscal and administrative agent for SGMA implementation in the Delta-Mendota Subbasin (Funds 63, 64, and 65 in the Water Authority budget).

In response to this, on July 1, 2025, a special Delta-Mendota (D-M) Subbasin Coordination Committee (CC) meeting and subbasin workshop was held to present and receive preliminary feedback on a draft joint powers agreement from interested stakeholders. Initial feedback was incorporated into a revised draft joint powers agreement creating a new joint powers authority, which Legal Counsel presented at the August 11, 2025, CC meeting. Additional stakeholder feedback was received, and a final draft joint powers agreement, dated September 3, 2025, was presented to the CC on September 8, 2025. At that meeting, the Committee made a motion to recommend D-M Subbasin GSAs adopt the joint powers agreement.

The Central D-M Region is currently organized through the Central Sustainable Groundwater Management Act (SGMA) Services Activity Agreement (Activity Agreement) between the San Luis & Delta-Mendota

Water Authority (Authority) and relevant parties funding SGMA implementation services in the Central D-M Region.

The intention of the Delta-Mendota Subbasin GSAs JPA is to create an organizational structure to implement necessary SGMA activities within the D-M Subbasin. At its special joint meeting on September 25, 2025, the Central Delta-Mendota GSA voted to enter into the joint powers agreement forming the Delta-Mendota Subbasin GSAs JPA. If and when this agreement goes into effect and the new JPA is established, the various Activity Agreements with the Water Authority for SGMA Support (Funds 63, 64, and 65) are expected to be terminated.

The Central Delta-Mendota Region Management Committee consists of the Central Delta-Mendota GSA (a JPA with 10 member agencies), Widren Water District, and Oro Loma Water District. Currently, Santa Nella County Water District, a member of the Central Delta-Mendota GSA JPA, serves as the fiscal agent for the GSA. SGMA implementation services are performed independently between the members of the JPA and at a regional level.

Following the termination of the SS-MOA (Fund 63) and the Central Activity Agreement (Fund 65), the remaining formal agreements for cost share or administration within the region will consist of the 23 individual GSA agreements with the Delta-Mendota Subbasin GSAs JPA and the 10 GSA agreements with the Central Delta-Mendota GSA JPA.

As a result, the Central Delta-Mendota GSA JPA will need to determine how they intend to continue administration of the Central GSA JPA. The San Luis & Delta-Mendota Water Authority (Authority) is developing Requests for Proposals (RFPs) for the overall administration of the Delta-Mendota Subbasin GSAs JPA, once it is established. In developing these RFPs for services, different approaches to structuring both the Northern and Central Delta-Mendota Regions have been raised.

Staff is seeking direction on how the Central D-M Region desires to organize to support Central Region SGMA implementation activities after the new Subbasin-wide Delta-Mendota Subbasin GSAs JPA is fully established.

Staff have identified the following options for consideration:

Option 1: Expand Central Delta-Mendota Groundwater Sustainability Agency JPA

Under this option, Widren Water District and Oro Loma Water District would join the Central Delta-Mendota Groundwater Sustainability Agency (Central GSA) JPA. Under this option, budgeting and associated cost share for Central Region SGMA implementation services would be determined between the Central GSA JPA members, with no need for additional agreements to administer the necessary SGMA activities.

In this scenario the Central GSA JPA would serve as the foundational entity where fiscal and administrative management will be housed. These tasks could be carried out by the member agencies of the Central GSA JPA or through hired staff or consultants that would be employed by/contracted with the Central GSA JPA.

Consideration: The Central GSA JPA would need to decide how it will contract with or hire employees to staff the agency and perform the necessary tasks.

Option 2: Execute a Memorandum of Agreement Regarding Cost Share

Under this option, Widren Water District and Oro Loma Water District would not need to join the Central GSA JPA (but would not be precluded from doing so upon agreement by the member agencies) and a Memorandum of Agreement (MOA) would be executed between the Central GSA JPA and either, or both, Widren Water District and Oro Loma Water District, to establish a cost sharing arrangement and governance for implementing the necessary SGMA activities in the Central D-M Region.

In this scenario, the Central GSA JPA would serve as the foundational entity where fiscal and administrative management will be housed. These tasks could be carried out by the member agencies of the Central GSA JPA or through hired staff or consultants that would be employed by/contracted with the Central GSA JPA.

Consideration: The Central GSA JPA would need to decide how it will contract with or hire employees to staff the agency and perform the necessary tasks.

Option 3: Establish Central Region Standing Committee under Delta-Mendota Subbasin GSAs JPA and Enter into a SGMA Services Activity Agreement with the new JPA

Under this option, the Delta-Mendota Subbasin GSAs JPA could create a Standing Committee of the Delta-Mendota Subbasin GSAs JPA, comprised of representatives of GSAs in the Central D-M Region. This Standing Committee would allow for a mechanism for the Central D-M Region to meet, in compliance with the Brown Act, as it has done thus far. It would also allow for the opportunity for the Central D-M Region representative on the Delta-Mendota Subbasin GSAs JPA to receive direction. There could also be an agreement between any or all of the Central D-M Region GSAs and the Delta-Mendota Subbasin GSAs JPA to provide for fiscal management, regardless of whether or not there is a Standing Committee formed.

Administration and Fiscal Management through the Delta-Mendota Subbasin GSAs JPA – In this scenario the Central D-M Region would utilize the Delta-Mendota Subbasin GSAs JPA as the fiscal and administrative manager, through an activity agreement similar to the existing SGMA Services Activity Agreement with the Water Authority.

Consideration: The Water Authority would need to include these services in the appropriate component of the RFP for service solicitation for the forthcoming fiscal year.

The Management Committee can consider these options or any additions or variations thereof in providing direction to staff.



MEMORANDUM

TO: Central Delta-Mendota Management Committee and Central Delta-Mendota GSA
Agenda Item 11

FROM: Sam Cunningham, Provost & Pritchard Consulting Group

DATE: October 23, 2025

RE: Committee/GSA to Discuss Implementation of Pumping Reduction Plans

ISSUE FOR DISCUSSION

How the responsibilities for updating information within the Delta-Mendota Subbasin GSP & PRP Implementation Tracking Dashboard will be accomplished for the Central Delta-Mendota Region.

RECOMMENDATION

There is no staff recommendation.

DISCUSSION

Background

The Delta-Mendota Subbasin adopted a revised Groundwater Sustainability Plan (GSP) in 2024. The 2024 GSP acknowledges that there is a need to reduce pumping in the subbasin to address overdraft and achieve sustainable conditions. To this end, Section 16 of the 2024 GSP includes Plan Implementation Activities, including Pumping Reduction Plans (PRPs). The PRPs include six components that when collectively implemented should ensure successful compliance with the GSP's Sustainable Management Criteria (SMCs) and pumping within the Sustainable Yield. Those six components are summarized below:

1. Monitoring and Data Collection Plan
2. Overdraft Mitigation Plan
3. Groundwater Level Minimum Threshold Avoidance Plan
4. Water Quality Minimum Threshold Avoidance Plan
5. Subsidence Avoidance Plan
6. Groundwater Allocation Backstop

EKI Environment & Water (EKI) developed the Delta-Mendota Subbasin GSP & PRP Implementation Tracking Dashboard (Dashboard) to help the Delta-Mendota Subbasin GSAs track and report on various components of PRP and GSP implementation, including projects and management actions (P/MA). This information is used for compliance with policies and for annual report preparation. EKI provided a presentation on the Dashboard to the Zone 4 agencies (Central Delta-Mendota Region) on October 20,

2025. During this presentation it was noted that the use of the Dashboard would require the input of information by the participating entities or relevant staff.

Analysis

The Central Delta-Mendota (D-M) Region consists of the Central Delta-Mendota GSA (Central GSA), Widren Water District GSA, and Oro Loma GSA. The Central GSA is a joint powers authority (JPA) consisting of 10 participating agencies. The Dashboard receives water level and water quality data that is uploaded to the Houston DMS. The Central D-M Region participants currently upload information into the Houston DMS through the individual participating agencies and individual agencies are responsible for collecting the required data.

The data from the Houston DMS is processed and presented through various modules within the Dashboard for the user. The Dashboard includes modules for PRP Implementation Tracking, PRP Plan Components' Status, and P/MA & Stakeholder Outreach. Each module allows the user to review information or upload information as needed. The access to modules and reporting is limited to the relevant agencies/geographies. Where there are exceedances or actions warranted under the PRP or GSP policies, the user can complete reports to update information or upload attachments.

Question for Discussion

The use of the Dashboard will require users to address exceedances and provide relevant information and documentation as needed. For the Central D-M Region and Central GSA, the Committee and GSA Board may wish to provide direction or reach agreement on whether individual agencies will be responsible for uploading the relevant information to the dashboard and how the Committee and GSA will ensure that all members are meeting the requirements of the PRP and other relevant policies.