



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
AGENDA**

Regular Meeting of the Board of Directors
November 8, 2023 – 9:30 a.m.

To be held at:
ZONE 7 WATER AGENCY
100 North Canyons Parkway
Livermore, CA 94551

JOIN BY ZOOM

Please click the link below to join the webinar:

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+16699006833,,81404669563# (San Jose, US)

Or Telephone 1-669-900-6833 Webinar ID: 814 0466 9563

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the Zone 7 Administrative Building lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Authority's Clerk at rperea@lagerlof.com. Notification at least 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}.

Members of the public may submit written comments to the Clerk by 4:00 p.m. on the day prior to the meeting for the Clerk to read into the record (subject to three-minute limitation). The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making their comment. Materials related to items on this Agenda are available for public review at: www.losvaquerosjpa.com/board-meetings. Each item on the Agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item. Members of the public will be disconnected from the meeting prior to any Closed Session, if applicable.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Antonio Martinez, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Dennis Herrera, Director, San Francisco Public Utilities Commission
Rebecca Eisenberg, Director, Santa Clara Valley Water District
TBD, Director – Ex Officio - Department of Water Resources

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District
Patt Young, Alternate Director, Contra Costa Water District
Lesa McIntosh, Alternate Director, East Bay Municipal Utility District
Ricardo Ortega, Alternate Director, Grassland Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Richard Santos, Alternate Director, Santa Clara Valley Water District
Sandy Figuers, Alternate Director, Zone 7 Water Agency
TBD, Alternate Director – Ex Officio, Department of Water Resources

PUBLIC COMMENT ON NON-AGENDA ITEMS

Any member of the public wishing to address the Board of Directors regarding items not on the Agenda should do so at this time. The Board welcomes your comments and requests that speakers present their remarks within established time limits and on issues that directly affect the Authority or are within the jurisdiction of the Authority.

CONSENT CALENDAR

- 1.1 Approval of Minutes from October 11, 2023 Board of Directors Meeting**
- 1.2 Treasurer’s Report – Month Ended September 30, 2023**

ACTION ITEMS

None.

DISCUSSION ITEMS

- 2.1 JPA Administration Cost Estimate Update**
- 2.2 Program Management Update**
 - **Agreements Schedule Update**

- **October Activities**

FUTURE AGENDA ITEMS

REPORTS

3.1 Directors

3.2 Executive Director

3.2.1 Federal Relations Report

3.2.2 October 2023 Engagement Activities with Reclamation

3.3 General Counsel

3.4 Committee Meeting Summaries

ADJOURNMENT

CONSENT CALENDAR

ITEM 1.1: APPROVAL OF MINUTES FROM OCTOBER 11, 2023 BOARD OF DIRECTORS MEETING

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

RECOMMENDATION:

That the Authority's Board of Directors approve the attached minutes from the October 11, 2023 Board of Directors meeting.

DISCUSSION:

The Clerk, General Counsel and Executive Director have prepared the attached draft minutes from the October 11, 2023 Board of Directors meeting.

ALTERNATIVES:

Any suggested revisions to the draft October 11, 2023 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

Draft minutes from October 11, 2023 Board of Directors meeting.



LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY

MINUTES

Regular Meeting of the Board of Directors

Held at: **ZONE 7 WATER AGENCY**

100 North Canyons Parkway, Livermore, CA 94551

October 11, 2023 – 9:30 a.m.

Chair Angela Ramirez Holmes called the meeting to order at 9.31 a.m.

PLEDGE OF ALLEGIANCE – led by Chair Angela Ramirez Holmes

ROLL CALL OF DIRECTORS

Angela Ramirez Holmes, Chair, Zone 7 Water Agency

Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority

Ellen Wehr, Secretary, Grassland Water District

Paul Sethy, Treasurer, Alameda County Water District

Antonio Martinez, Director, Contra Costa Water District

Michael Tognolini, Director, East Bay Municipal Utility District

Rebecca Eisenberg, Director, Santa Clara Valley Water District (arrived at 10:03 a.m.)

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District

Patt Young, Alternate Director, Contra Costa Water District

Sandy Figuers, Alternate Director, Zone 7 Water Agency

*Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission

*Participated in place of absent Director

ABSENT

Dennis Herrera, Director, San Francisco Public Utilities Commission

Lesa McIntosh, Alternate Director, East Bay Municipal Utility District

Ricardo Ortega, Alternate Director, Grassland Water District

Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority

Richard Santos, Alternate Director, Santa Clara Valley Water District

OTHERS PRESENT

Taryn Ravazzini, Executive Director
James Ciampa, Lagerlof, LLP, General Counsel (via Zoom)
Chuck Gardner, Program Manager, Hallmark Group
Jessica Alwan, Program Manager, Hallmark Group
Maddy Benner, Hallmark Group
David Moore, Clean Energy Capital
Christopher Brown, C.J. Brown and Company CPAs (via Zoom)
Doug Brown, Stradling Yocca Carlson & Rauth, a Professional Corporation (via Zoom)
Maureen Martin, CCWD LVE Program Manager
Jennifer Johnson, Permitting Officer, CCWD
Rosemarie Perea, Board Clerk (by telephone)
Norma Alley, Assistant Board Clerk

Numerous others were present in person and by telephone.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Chair Ramirez Holmes called for public comments on non-agenda items. None were received.

CONSENT CALENDAR

The Consent Calendar consisted of the following items:

- 1.1 Approval of Minutes from September 13, 2023 Board of Directors Meeting**
- 1.2 Treasurer’s Report – Month Ended August 31, 2023**
- 1.3 JPA June FY23 Closeout Treasurer’s Report**

Chair Ramirez Holmes called for public comments. None were received.

Upon motion by Alternate Director Ritchie, seconded by Director Tognolini, the Consent Calendar, was approved by the following roll call vote:

- AYES:** Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Antonio Martinez, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
- NOES:** None
- ABSENT:** Rebecca Eisenberg, Director, Santa Clara Valley Water District
- ABSTAIN:** None

The motion passed with a 7-0 vote.

ACTION ITEMS

2.1 Approval of Contract with Audit Firm

Executive Director Taryn Ravazzini reviewed the process by which the Authority solicited proposals for an auditing firm to be engaged to prepare the audit of the Authority's financial statements for the 2023 fiscal year. She stated the recommendation from the Finance Committee was to award the contract to C.J. Brown and Company CPAs for a one-year term, with options for the Authority to proceed with that firm for up to two subsequent years.

Executive Director Ravazzini stated that C.J. Brown and Company CPAs provided their peer review report as requested in the Authority's request for proposals. The firm's peer review report identified certain deficiencies in their system of quality control. Authority staff conducted additional due diligence, including obtaining positive reference reports from other C.J. Brown and Company clients, and is satisfied those deficiencies have been rectified. Executive Director Ravazzini then reviewed possible alternatives available to the Board, including going back out with a subsequent request for proposals. Alternate Director Ritchie advised against going back out at this point. Executive Director Ravazzini stated C.J. Brown and Company quoted a \$6,250 all-inclusive maximum fee for the Authority's Fiscal Year 2023 audit and she stated that Christopher Brown was available via Zoom to address any questions or concerns.

Chair Ramirez Holmes called for any questions from Board members and for public comments. None were received.

Upon motion by Alternate Director Ritchie, seconded by Treasurer Sethy, the Board approved award of the agreement with C.J. Brown and Company CPAs to provide financial statement audit services to the Authority for a one-year period for Fiscal Year 2023 with an option to extend for up to two subsequent years. The motion was approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Antonio Martinez, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission

NOES: None

ABSENT: Rebecca Eisenberg, Director, Santa Clara Valley Water District

ABSTAIN: None

The motion passed with a 7-0 vote.

2.2 Appointment of Auditor for FY 2023

Executive Director Ravazzini stated the Authority's Joint Exercise of Powers Agreement, in Section 4.4, authorizes the Board of Directors to appoint the Authority's auditor. Thus, it is necessary that the Board act to appoint the Authority's auditor for the 2023 Fiscal Year.

Based on the action under the preceding item, C.J. Brown and Company CPAs is recommended to be appointed as the Authority's auditor for the 2023 Fiscal Year.

Chair Ramirez Holmes called for any questions from Board members and for public comments. None were received.

Upon motion by Vice Chair Hansen, seconded by Director Martinez, the Board approved the appointment of C.J. Brown and Company CPAs as the Authority's auditor for the 2023 Fiscal Year. The motion was approved by the following roll call vote:

- AYES:** Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Antonio Martinez, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
- NOES:** None
- ABSENT:** Rebecca Eisenberg, Director, Santa Clara Valley Water District
- ABSTAIN:** None

The motion passed with a 7-0 vote.

2.3 Approval of Contract with Bond Counsel Firm

General Counsel James Ciampa informed the Board that the Authority is moving into the phase where various financing alternatives are being pursued. Interim financing, the WIFIA loan (for which the application was recently submitted to the U.S. Environmental Protection Agency), and other possible debt issuances are now approaching. In addition, the preparation of a Master Resolution with respect to Authority debt will also be forthcoming in the next few months.

Mr. Ciampa stated those financing activities necessitate engagement of bond counsel to assist the Authority with specialized counsel related to those debt vehicles, appropriate structuring of that debt to ensure compliance with federal tax requirements and related services in negotiating various agreements in connection with any debt issuances. Also, bond counsel will take the lead in drafting the Authority's Master Resolution.

A request for proposals was provided to various law firms with expertise in serving as bond counsel for public agencies. Four firms submitted responsive proposals: Best, Best & Krieger, LLP; Hawkins Delafield & Wood, LLP; Orrick, Herrington & Sutcliffe LLP; and Stradling Yocca Carlson & Rauth, a Professional Corporation. The Authority convened a selection committee consisting of its general counsel, financial consultant David Moore, program manager Chuck Gardner and attorneys from East Bay Municipal Utility District (Tim Kline), San Luis & Delta- Mendota Water Authority (Rebecca Akroyd) and Santa Clara Valley Water District (Andy Gschwind).

The selection committee reviewed all four proposals and interviewed each of the four proposing firms. Following that process, the selection committee unanimously concurred that

Stradling Yocca Carlson & Rauth would best meet the Authority's needs. Mr. Ciampa stated Doug Brown of Stradling Yocca Carlson & Rauth, was present via Zoom to answer any questions.

Chair Ramirez Holmes called for questions from the Board members and for public comments. None were received.

Upon motion by Alternate Director Ritchie, seconded by Treasurer Sethy, the Board approved the engagement of Stradling Yocca Carlson & Rauth, a Professional Corporation as the Authority's bond counsel. The motion was approved by the following roll call vote:

- AYES:** Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Antonio Martinez, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
- NOES:** None
- ABSENT:** Rebecca Eisenberg, Director, Santa Clara Valley Water District
- ABSTAIN:** None

The motion passed with a 7-0 vote.

DISCUSSION ITEMS

3.1 Interim Financing Update

David Moore of the Authority's Financial Consultant, Clean Energy Capital, advised that the Authority's Plan of Finance is being developed and will set forth the Authority's interim financing alternatives and the preferred alternative.

Alternate Director Ritchie asked when that plan would be provided to the Finance Committee. Mr. Moore advised the draft Plan of Finance would be ready for committee review in November or December. Director Tognolini asked about what impact a delay in not having the Service Agreement in place by June 2024 would have. Mr. Moore stated that interim financing could be used to meet any cash flow needs or Multi-Party Agreement Amendment No. 6 could be developed, although he understands that is not favored by the Members. Program Manager Chuck Gardner noted that there may be adequate unused funds from Fiscal Year 2023 remaining to be used at the beginning of Fiscal Year 2024 to provide short-term finances, especially if the \$621,000 contingency is not used.

Chair Ramirez Holmes called for public comments. None were received.

3.2 Permitting Update

A presentation entitled "Environmental Permitting Update" for the LVE Phase 2 Expansion was provided by Maureen Martin, CCWD LVE Program Manager. Ms. Martin introduced Jennifer Johnson who reviewed the state and federal permit requirements under the

various applicable state and federal laws, including the Endangered Species Act, National Historic Preservation Act, Clean Water Act, Bald and Golden Eagle Preservation Act and California Fish and Game Code Section 1602.

Ms. Johnson stated that approximately 2,500 acres are proposed for acquisition and protection to meet species/habitat-based mitigation requirements under those various laws. The Bald and Golden Eagle Protection Act requires mitigation for nest disturbance and territory loss, including power pole retrofitting. The cost assumption for the overall mitigation requirements is approximately \$36.8 million, based on the acquisition and preservation of the 2,500 acres at approximately \$15,000 per acre.

Director Eisenberg requested clarification on the per acre cost, which she thought seemed low. Ms. Johnson advised the majority of the habitat is grassland habitat which supports many species and the eagles and therefore that helps to reduce the per acre cost. Chair Ramirez Holmes pointed out the overall environmental benefits of the Project and also noted that open space land prices in Alameda and Contra Costa Counties are also impacted by local development restrictions that reduce property values on such open space lands.

Alternate Director Ritchie asked for an explanation on “pole retrofitting” relating to eagle protections. Ms. Johnson explained that due to the wide wingspan of the eagles, they often will hit electrical lines and be electrocuted. The poles can be retrofitted to widen the gaps between lines to avoid such instances. Alternate Director Ritchie asked for a list of the tribes evaluated for eligibility in connection with the National Historic Preservation Act and Ms. Johnson stated she will get that information for Alternate Director Ritchie. Director Tognolini asked what uses are acceptable in connection with land mitigation. Ms. Johnson stated open space for grazing is the typical permissible use. Director Tognolini also asked about the California Department of Fish and Wildlife’s concerns with larval species. Ms. Martin stated that concern occurs only when the Delta is in excess conditions. Secretary Wehr asked for confirmation that the proposed mitigation does not exceed regulatory requirements and Ms. Johnson responded that the mitigation being proposed is intended to meet those requirements, but also will take advantage where possible of lands that are already under conservation protection.

Chair Ramirez Holmes called for public comments. None were received.

3.3 Washington D.C. Engagement Trip and Related Meetings

Executive Director Ravazzini reviewed the trip to Washington, D.C. in late September that she attended along with Chair Ramirez Holmes, Vice Chair Hansen, and Secretary Wehr. The trip included meetings with congressional offices, the U.S. Bureau of Reclamation, including with Commissioner Touton, and the U.S. Environmental Protection Agency, which included the entire team and Deputy Director, who will be involved with the Authority’s WIFIA loan. Executive Director Ravazzini stated the meetings went very well and Commissioner Touton was very pleased with the female composition of the Authority’s leadership. Overall, the trip was very positive and an excellent way for congressional staff to learn about the Project.

Executive Director Ravazzini reported that a few days after the Washington, D.C. meeting, the Bureau of Reclamation informed the Authority that the Bureau will be able to proceed with the Basis of Negotiation, which is a prerequisite to the Record of Decision and

Partnership Agreement.

Chair Ramirez Holmes advised that she appreciated everyone's attendance and stated the in-person meetings are very critical. Executive Director Ravazzini thanked Valley Water and San Luis-Delta & Mendota Water Authority, which had staff attend various meetings. Vice Chair Hansen noted the Project is "the" project in California and that she heard many comments on the impressive progress made since the last visit. Secretary Wehr stated the Authority's relationships in Washington, D.C. are critical, and that the federal government is "bending over backwards" to support the Project.

Treasurer Sethy thanked the Directors who made the time to go to Washington D.C. Director Martinez was concerned that the leave behind materials were not provided in advance of the trip. Several directors acknowledged that the materials were provided in advance of the Washington D.C. trip. Alternate Director Ritchie stated that with the recent passing of Senator Feinstein, it is important to build relationships with Senator Padilla and with newly appointed Senator Butler.

Chair Ramirez Holmes called for public comments. None were received.

3.4 Program Management Update

- **Agreements Schedule and Update**
- **JPA Cost Estimate Update**
- **September Activities**

Program Manager Chuck Gardner reviewed Program Management activities over the prior month. The presentation included status of Authority contract authorizations, budget, schedule, and agreements. Continued progress toward drafting project agreements has been made and an updated schedule for completion of those agreements as related to Project funding was included in the presentation. At the request of the Board, projections for completion of each agreement were further detailed, noting key issues and approach to resolution with negotiations on the CCWD Design and Construction Agreement proposed to begin in October.

The program controls team developed a cash flow for the Authority which was included in the presentation. The Authority's cash flow will be updated on a quarterly basis consistent with ongoing reporting requirements. Additional detail as related to the updated Project Construction Cost Estimate is included specific to Authority costs, consistent with the assumptions included in the WIFIA application. Also, the draft Strategic Communications Plan has been developed and will be reviewed with the Communications and Outreach Committee at its October meeting.

In connection with the "Quarterly Projected Cash Flow Report," Treasurer Sethy noted there is not much cushion for costs and asked whether the Board would be able to see where things stand with the Service Agreements. Executive Director Ravazzini stated the initial draft Service Agreement was distributed to the Legal Work Group and Members' management last week. With respect to the "LVE Service Agreement Completion Schedule" included in the presentation, he endorses the approach of taking a more aggressive stance to move forward with

the possibility of a facilitator being needed.

Relative to Project agreement issues, Director Tognolini inquired whether the Authority has engaged with the Bureau of Reclamation with respect to the permit to use the Folsom South Canal. Maureen Martin stated the Bureau has not yet been engaged on that issue. Director Tognolini requested that EBMUD be involved in those discussions once they begin. Vice Chair Hansen noted that what is currently happening with respect to the Project is typical of large projects with which she has previously been involved and it is important that the focus remains on what needs to happen.

Chair Ramirez Holmes called for public comments. None were received.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 Directors

Chair Ramirez Holmes noted that last week was the second anniversary of the Authority. She also advised the Board that she had appointed Patt Young, Alternate Director, Contra Costa Water District, to the Communications and Outreach Committee.

4.2 Executive Director

Executive Director Ravazzini stated her report is included in the meeting materials and asked if there were any questions in connection with the report. None were received.

4.3 General Counsel

General Counsel Ciampa advised that the Service Agreement was distributed to the Legal Work Group and Members' management on October 4, and he is in the process of scheduling a meeting with the Legal Work Group for late October or early November.

4.4 Committee Meeting Summaries

The following committee Meeting Summary was included for the Board's review:

- Finance Committee Meeting Summary - September 18, 2023

The meeting was adjourned at 11:51 a.m.

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

ITEM 1.2: TREASURER’S REPORT – MONTH ENDED SEPTEMBER 30, 2023

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Staff has prepared the Treasurer’s Report for September 2023. This report was reviewed by the Finance Committee at its October 26, 2023 meeting.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

None.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

Treasurer’s Report for Month Ended September 30, 2023.



TREASURER’S MONTHLY REPORT FOR PERIOD ENDED SEPTEMBER 30, 2023

OCTOBER 26, 2023

UPCOMING ACTIVITIES

November TBD – Finance Committee Meeting via Zoom

FINANCE COMMITTEE

Chair: Anthea Hansen, SLDMWA
 Vice-Chair: Paul Sethy, ACWD
 Rebecca Eisenberg, SCVWD
 Michael Tognolini, EBMUD

ACRONYM KEY

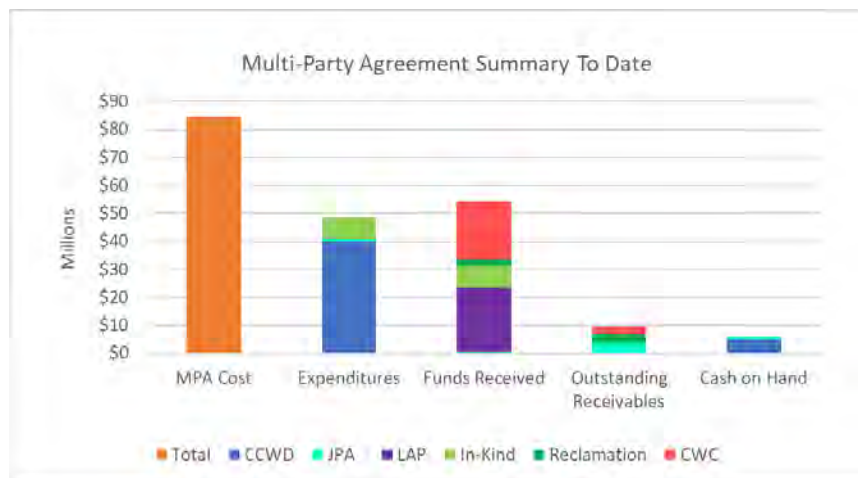
ACWD – Alameda County Water District
 CCWD – Contra Costa Water District
 CWC – California Water Commission
 EBMUD – East Bay Municipal Utility District
 GWD – Grassland Water District
 LAP – Local Agency Partners
 MPA – Multi-party Cost Share Agreement
 SFPUC – San Francisco Public Utilities Commission
 SCVWD – Santa Clara Valley Water District (Valley Water)
 SLDMWA – San Luis & Delta-Mendota Water Authority
 Zone 7 – Alameda County Flood Control and Water Conservation Dist

MULTI-PARTY AGREEMENT STATUS

Amendment No. 5 to the Multi-Party Cost Share Agreement (MPA) has been fully executed by the JPA, CCWD and all other JPA Members. The first invoice of \$619,500 was mailed to the seven participating member agencies on September 1, 2023.

MPA EXPENDITURES

The following chart provides an overview of the MPA expenditures through September 30, 2023 in addition to in-kind services, funds received, outstanding receivable, and cash on hand. All LAPs remain in good standing and the Project cash on hand remains positive.



MPA Cost: \$84,610,865 (through Amendment No. 5)

Expenditures:
 CCWD: \$40,122,717
 LVRJPA: \$760,325 (Consultants and Legal)
 In-kind: \$7,727,868 (LAPs and Reclamation)
Total: \$48,610,910

Funds Received:
 CWC: \$20,734,993
 Reclamation: \$2,420,227
 LAP: \$23,546,077 (cash contributions)
 In-kind: \$7,727,868 (LAPs and Reclamation)
Total: \$54,429,165

Outstanding Receivables:
 CWC: \$2,857,249 (invoices and retention)
 Reclamation: \$3,025,702
 LVRJPA: \$3,717,000 (LAPs)

Cash on Hand:
 CCWD: \$5,030,097
 LVRJPA: \$809,490

FEDERAL FUNDING STATUS

On July 27, 2023, the Bureau of Reclamation announced an additional allocation of \$10M to the project increasing Federal funding under the Bipartisan Infrastructure Law to a total of \$92M.

A total of \$82 million was allocated to the Project in the Bipartisan Infrastructure Law FY22 Spend Plan. The Authority was allocated \$18 million in FY23 from the Water Infrastructure Improvements for the Nation (WIIN) Act. Previous awards of Federal funding during FY21 and FY22 include \$10 million in pre-construction funding and \$54 million in construction funding. CCWD executed an assistance agreement with Reclamation for a total of \$7.2 million in federal funding for permitting, design, and other pre-construction activities and Reclamation has paid the first two invoices. Staff are working with Reclamation to develop an amendment to allocate approximately \$800,000 in additional pre-construction funding.

Future Federal funding requests include the remainder of the requested federal share of 21 percent of the total project cost (approximately \$39 million).

STATE FUNDING STATUS

The Project qualified for funding under the Water Storage Investment Program and received an adjusted Maximum Conditional Eligibility Determination of \$477,558,343 from the California Water Commission (CWC) on March 16, 2022. This amount reflects an additional inflation adjustment of 1.5 percent and an increase in over \$7 million from the previous award.

The Early Funding Agreement with the CWC provides for a cost share of 50 percent of eligible costs during pre-construction. An amendment was executed in November 2022 that extended the agreement through December 31, 2023 and added \$927,917 in additional early funding as a result of the inflation adjustments to the total award amount. The summary below reflects the Total Budget and other budget status information of the amended Early Funding Agreement.

Early Funding Agreement Summary to Date:

Total Budget:	\$47,755,834
Total Program Funding:	\$23,877,917 (50 percent cost share)
Total Billed To Date:	\$47,184,484 (99% spent to date)
Total Amount Remaining:	\$571,350
Total Retention To Date:	\$72,506
Outstanding Invoices:	\$2,857,249

DISCUSSION ITEMS

ITEM 2.1: JPA ADMINISTRATION COST ESTIMATE UPDATE

RESPONSIBLE/LEAD STAFF MEMBER:

Chuck Gardner, LVE JPA Program Manager

RECOMMENDATION:

Not applicable.

DISCUSSION:

The program management team presented an estimated cost at completion table to the JPA Board in October, which required an update of estimated JPA Administrative Costs. Upon reviewing initial assumptions and methodologies used to develop the amounts previously reported in the 2022 cost estimate, staff developed an updated budget which was discussed at the October Finance Committee. JPA Administrative Cost to Completion Estimate reflects current assumptions and current contracted values.

There are several sources of change noted from 2022 to 2023 JPA Administrative Cost estimates:

- The 2022 cost estimate assumed only a 3-year period, until funding was expected to be received, which was assumed to be at the end of FY2023. The current 2023 version estimates costs through construction, which is scheduled to be complete at the end of the first quarter of FY32.
- In the 2022 cost estimate, CCWD Tech Services were included in JPA Administrative Costs; however, those costs were also contemplated in the 2022 construction cost estimate, and therefore have been removed from the JPA Administrative Costs estimate.
- Several professional services (legal, financial advisory services, external affairs, and program management) costs were estimated to be much lower than the 2023 estimate.
- Contingency was not included in the 2022 model but has been added to the current 2023 model at \$621K in FY24 and at 10% of the total costs by year for all remaining years, a total of \$3.3M through the end of the construction period.
- Escalations are 4% per year in the current 2023 version versus 3% in the 2022 version.
- The 2023 estimate contemplates schedule delays reflected in the July 2023 construction schedule update.

The combination of these assumptions is a net difference of \$14.8M.

ALTERNATIVES:

Not applicable.

FISCAL ANALYSIS:

A cost increase of \$14.8M through the construction phase is expected.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

JPA Administrative Services Cost at Completion Report.
LVE JPA Services Cost Update.

Los Vaqueros JPA
Cost at Completion October 31,2023

Primary Responsibility	Assumptions	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32 (1QTR)	Total Project
JPA Insurance Policy	FY24 budget; assumes 4% escalation/yr	\$ 62,261	\$ 64,751	\$ 67,341	\$ 70,035	\$ 72,837	\$ 75,750	\$ 78,780	\$ 81,931	\$ 21,302	\$ 594,989
Finance/Credit Support	FY24 budget; assumes 4% escalation/yr	\$ 594,826	\$ 618,619	\$ 643,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,856,810
Accounting Services	Estimate based on lower cost than original budget	\$ 50,000	\$ 75,000	\$ 98,000	\$ 101,920	\$ 105,997	\$ 110,237	\$ 114,646	\$ 119,232	\$ 31,000	\$ 806,032
Project Mgmt/Controls	FY25 = orig cost proposal less FY24 contract; assumes 4% escalation/yr and reduction to	\$ 1,112,391	\$ 1,988,201	\$ 2,067,729	\$ 2,150,438	\$ 2,236,456	\$ 2,325,914	\$ 1,935,160	\$ 2,012,567	\$ 523,267	\$ 16,352,124
Project Video - CWC Requirement	Per contract	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,000
Legal	FY24 budget; assumes 4% escalation/yr	\$ 300,000	\$ 312,000	\$ 324,480	\$ 337,459	\$ 350,958	\$ 364,996	\$ 303,677	\$ 315,824	\$ 82,114	\$ 2,691,507
Federal Relations	\$15K per mo + \$10K exp; assumes 4% escalation/yr through dam const.	\$ 190,000	\$ 197,600	\$ 205,504	\$ 213,724	\$ 166,705	\$ -	\$ -	\$ -	\$ -	\$ 973,533
Agency Facilitation	FY24 Budget \$250K [TBD]	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Water Supply Manager	Starts in 2030; assumed 4% escalation/yr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 312,000	\$ 324,480	\$ 936,480
Board Clerk/Administration	FY24 budget; assumes 4% escalation/yr	\$ 25,000	\$ 26,000	\$ 27,040	\$ 28,122	\$ 29,246	\$ 30,416	\$ 31,633	\$ 32,898	\$ 8,554	\$ 238,909
Legal - Bond Counsel	Per contract - est \$165K + \$40K first three years	\$ 225,000	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,000
Executive Director	FY24 budget; assumes 4% escalation/yr and reduction to 80% time in FY30	\$ 456,015	\$ 456,015	\$ 474,256	\$ 493,226	\$ 512,955	\$ 533,473	\$ 443,850	\$ 461,604	\$ 120,017	\$ 3,951,409
JPA Financial Audit	Per contract first two years, est after year 2	\$ 6,250	\$ 6,250	\$ 8,000	\$ 10,000	\$ 10,400	\$ 10,816	\$ 11,249	\$ 11,699	\$ 12,167	\$ 86,830
WIFIA Loan Application Fees	\$100K spent in FY24, \$200K + \$10K admin est for FY25, \$20K maint all other years	\$ 100,000	\$ 210,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 450,000
Reimbursable Expenses	Assume 4% escalation/yr (Ravazzini and Hallmark contracts)	\$ 55,000	\$ 60,000	\$ 62,400	\$ 64,896	\$ 67,492	\$ 70,192	\$ 72,999	\$ 75,919	\$ 19,739	\$ 548,637
Contingency	\$621K in FY24, then 10% of all costs excluding WIFIA fees for remaining years	\$ 621,000	\$ 396,944	\$ 401,811	\$ 346,982	\$ 355,304	\$ 352,179	\$ 329,199	\$ 342,367	\$ 114,264	\$ 3,260,052
Total		\$ 3,944,743	\$ 4,576,381	\$ 4,439,926	\$ 3,836,802	\$ 3,928,349	\$ 3,893,973	\$ 3,641,193	\$ 3,786,041	\$ 1,276,904	\$ 33,324,311
Cumulative Budget		\$ 3,944,743	\$ 8,521,124	\$ 12,961,050	\$ 16,797,852	\$ 20,726,201	\$ 24,620,174	\$ 28,261,367	\$ 32,047,407	\$ 33,324,311	\$ 33,324,311

The logo for the Los Vaqueros Reservoir Expansion Project. It features the words "LOS VAQUEROS" in large, bold, blue capital letters. Below "VAQUEROS" are the words "RESERVOIR", "EXPANSION", and "PROJECT" in a smaller, green, sans-serif font. To the right of the text is a vertical graphic element consisting of four stacked, trapezoidal shapes that resemble a dam or a reservoir cross-section, colored in shades of blue and green.

LOS VAQUEROS RESERVOIR EXPANSION PROJECT

The background of the slide is a scenic landscape. In the foreground, there are rolling green hills with a dirt road and some trees. In the middle ground, a large blue reservoir is visible, surrounded by a concrete dam structure. In the background, more rolling green hills are dotted with several white wind turbines under a clear sky.

LVE JPA Services Cost Update
November 8, 2023

Agenda

1. Assumptions from 2022 estimate
2. Updates to 2023 estimate
3. Sources of change
4. Questions

Table 6 – Estimated Cost at Completion – All Costs Comparison (Costs in \$1,000)¹

¹ All costs shown are multiples of \$1,000 and are rounded up to the nearest \$100,000.

² Program Reserves in 2022 include: Applied Program Contingency (\$47.121M); Capital Project Reserve (\$47.573M); Debt Service Reserve Fund (\$39.995M); and Administrative and Operating Fund Reserve (\$3.731M)

Project Element	June 2022 Capital Cost Estimate Cost at Completion	June 2023 Capital Cost Estimate Cost at Completion	Changes Between Updates	Percent Change (%)
Implementation Costs	\$88,600	\$89,700	\$1,100	1%
Los Vaqueros Dam Expansion	\$449,200	\$532,800	\$83,600	19%
Transfer Bethany Pipeline	\$219,400	\$264,600	\$45,200	21%
Expanded Transfer Facility	\$94,700	\$99,000	\$4,300	5%
Neroly High Lift Pump Station	\$68,900	\$77,400	\$8,500	12%
Pumping Plant No. 1 Replacement	\$94,100	\$112,200	\$18,100	19%
Transfer Pump Station Modifications	\$60,700	\$57,100	(\$3,600)	-6%
Los Vaqueros Recreation Facilities	\$14,400	\$10,000	(\$4,400)	-31%
Los Vaqueros Marina Relocation	\$84,700	\$100,500	\$15,800	19%
Program Reserves ²	\$138,400	\$100,000	(\$38,400)	-27%
Total	\$1,313,000	\$1,443,300	\$130,300	10%
EBMUD Mokelumne Aqueduct	\$23,700	\$23,700	\$0	0%
JPA Costs				
Financing Cost	\$19,100	\$20,990	\$1,890	10%
JPA Admin Costs (Pre-Operations)	\$18,500			
Interest on LAP Contributions	\$2,300	\$2,450	\$150	7%
Program Total	\$1,376,600			

Estimated Cost at Completion – All Costs Comparison (Costs in \$1,000)¹

¹ All costs shown are multiples of \$1,000 and are rounded up to the nearest \$100,000.

² Program Reserves in 2022 include: Applied Program Contingency (\$47.121M); Capital Project Reserve (\$47.573M); Debt Service Reserve Fund (\$39.995M); and Administrative and Operating Fund Reserve (\$3.731M)



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Implementation Costs	\$ 88,600	\$ 89,700	\$ 1,100	1%
Los Vaqueros Dam Expansion	449,200	532,800	83,600	19%
Transfer Bethany Pipeline	219,400	264,600	45,200	21%
Expanded Transfer Facility	94,700	99,000	4,300	5%
Neroly High Lift Pump Station	68,900	77,400	8,500	12%
Pumping Plant No. 1 Replacement	94,100	112,200	18,100	19%
Transfer Pump Station Modifications	60,700	57,100	(3,600)	-6%
Los Vaqueros Recreation Facilities	14,400	10,000	(4,400)	-31%
Los Vaqueros Marina Relocation	84,700	100,500	15,800	19%
Program Reserves ²	138,400	100,000	(38,400)	-28%
Subtotal	\$ 1,313,100	\$ 1,443,300	\$ 130,200	10%
EBMUD Mokelumne Aqueduct	\$ 23,700	\$ 23,700	\$ -	0%
JPA Costs				
Financing Cost	19,100	20,990	1,890	10%
JPA Admin Costs (Pre-Operations)	18,500	33,324	14,824	80%
Interest on LAP Contributions	2,300	2,450	150	7%
Subtotal	\$ 63,600	\$ 80,464	\$ 16,864	27%
Program Total	\$ 1,376,700	\$ 1,523,764	\$ 147,064	11%

Sources of Change

- Estimated Cost Period
- Classification of Cost Categories
- Assumptions for Consultant Costs
- Application of Contingency
- Escalation
- Construction Duration

Estimated Period & Purpose of Costs

Original Estimate of 3-Year Duration and Only Until Funding Secured

JPA Administrative Costs (\$000s)

Budget Component (\$000s)	Calendar Year															
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Executive Director ^a	-	-	-	400	412	424	437	450	464	478	492	507	522	538	554	570
Program Management ^d	-	-	250	250	500	750	1,200	1,200	1,200	1,200	750	-	-	-	-	-
Secretary	-	-	-	50	52	53	55	56	58	60	61	63	65	67	69	71
General Counsel	-	-	100	103	106	109	113	116	119	123	127	130	134	138	143	147
Bond Counsel	-	-	200	50	50	50	50	50	50	50	-	-	-	-	-	-
Auditor	-	-	25	26	27	27	28	29	30	31	32	33	34	35	36	37
Controller/CPA	-	-	150	155	159	164	169	174	179	184	190	196	202	208	214	220
Water Supply Manager ^c	-	-	-	-	-	250	258	265	273	281	290	299	307	317	326	336
Administrator (CCWD) ^d	-	-	158	-	-	-	-	-	-	-	-	-	-	-	-	-
CCWD Technical Services ^e	-	5,043	5,968	5,012	3,447	3,204	3,077	3,015	3,174	2,332	297	-	-	-	-	-
Other JPA Contracts/Expenses ^f	-	-	85	110	113	117	120	124	128	131	135	139	144	148	152	157
Financial Advisor	-	-	-	400	400	400	100	100	100	100	100	-	-	-	-	-
Total	-	5,043	6,936	6,555	5,266	5,549	5,606	5,579	5,775	4,970	2,474	1,367	1,408	1,450	1,493	1,538

Budget Cost Escalation Rate

3.0%

\$18.5M
June 2022 Capital Cost Estimate

Notes:

- a - Assumes Executive Director is hired by JPA in early 2023 as CCWD transitions out of administrator role
- b - Assumes JPA brings on a Program Manager in early 2023
- c - Water supply manager is not brought on board until 2025, just prior to being operational
- d - CCWD would serve as the temporary administrator through 2022
- e - CCWD's technical services include staff labor and services for water rights, compensatory mitigation package, management of design and construction contracts, property acquisition, etc
- f - Other JPA expenses include services like I.T., website hosting

Additional Note: CCWD Technical Services of \$16.181M were also included in the \$1.313B facilities costs in the June 2022 Capital Cost Estimate



Classification of Cost Categories

Original Estimate of 3-Year Duration and Only Until Funding Secured



2022	2023
CCWD Tech Services and Admin Costs included in both the Facilities Estimate and the JPA Admin Estimate	CCWD Tech Services and Admin Costs included in Facilities Estimate



Estimated Cost Comparison

June 2022 / June 2023



- Program Management was estimated to be \$250K per year. Current cost estimate is \$1.2M for FY24 with annual escalations.
- General Counsel was estimated to be \$100K per year. Current cost estimate is \$300K for FY24 with annual escalations.
- Financial advisory services was estimated to be \$400K per year. Current cost estimate is \$595K for FY24 with annual escalations.
- Contingency was not included in the prior cost estimate. The current estimate includes \$621K for FY24 and 10% of costs, excluding WIFIA Fees, for remaining years
- WIFIA fees were not included in the prior cost model and are estimated to be a one-time fee of \$300K, plus \$10K setup fee, plus ongoing maintenance fees of \$20K per year.



JPA Administrative Cost Estimate

October 31, 2023

Los Vaqueros JPA											
Cost at Completion October 31, 2023											
Primary Responsibility	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32 (1QTR)	Total Project	
JPA Insurance Policy	\$ 62,261	\$ 64,751	\$ 67,341	\$ 70,035	\$ 72,837	\$ 75,750	\$ 78,780	\$ 81,931	\$ 21,302	\$ 594,989	
Finance/Credit Support	\$ 594,826	\$ 618,619	\$ 643,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,856,810	
Accounting Services	\$ 50,000	\$ 75,000	\$ 98,000	\$ 101,920	\$ 105,997	\$ 110,237	\$ 114,646	\$ 119,232	\$ 31,000	\$ 806,032	
Project Mgmt/Controls	\$ 1,112,391	\$ 1,988,201	\$ 2,067,729	\$ 2,150,438	\$ 2,236,456	\$ 2,325,914	\$ 1,935,160	\$ 2,012,567	\$ 523,267	\$ 16,352,124	
Project Video - CWC Requirement	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,000	
Legal	\$ 300,000	\$ 312,000	\$ 324,480	\$ 337,459	\$ 350,958	\$ 364,996	\$ 303,677	\$ 315,824	\$ 82,114	\$ 2,691,507	
Federal Relations	\$ 190,000	\$ 197,600	\$ 205,504	\$ 213,724	\$ 166,705	\$ -	\$ -	\$ -	\$ -	\$ 973,533	
Agency Facilitation	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
Water Supply Manager	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 312,000	\$ 324,480	\$ 936,480	
Board Clerk/Administration	\$ 25,000	\$ 26,000	\$ 27,040	\$ 28,122	\$ 29,246	\$ 30,416	\$ 31,633	\$ 32,898	\$ 8,554	\$ 238,909	
Legal - Bond Counsel	\$ 225,000	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,000	
Executive Director	\$ 456,015	\$ 456,015	\$ 474,256	\$ 493,226	\$ 512,955	\$ 533,473	\$ 443,850	\$ 461,604	\$ 120,017	\$ 3,951,409	
JPA Financial Audit	\$ 6,250	\$ 6,250	\$ 8,000	\$ 10,000	\$ 10,400	\$ 10,816	\$ 11,249	\$ 11,699	\$ 12,167	\$ 86,830	
WIFIA Loan Application Fees	\$ 100,000	\$ 210,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 450,000	
Reimbursable Expenses	\$ 55,000	\$ 60,000	\$ 62,400	\$ 64,896	\$ 67,492	\$ 70,192	\$ 72,999	\$ 75,919	\$ 19,739	\$ 548,637	
Contingency	\$ 621,000	\$ 396,944	\$ 401,811	\$ 346,982	\$ 355,304	\$ 352,179	\$ 329,199	\$ 342,367	\$ 114,264	\$ 3,260,052	
	\$ 3,944,743	\$ 4,576,381	\$ 4,439,926	\$ 3,836,802	\$ 3,928,349	\$ 3,893,973	\$ 3,641,193	\$ 3,786,041	\$ 1,276,904	\$ 33,324,311	
	\$ 3,944,743	\$ 8,521,124	\$ 12,961,050	\$ 16,797,852	\$ 20,726,201	\$ 24,620,174	\$ 28,261,367	\$ 32,047,407	\$ 33,324,311	\$ 33,324,311	

Note: The escalation rate of 4 percent is based on a review of several cost indices, including: ENR CCI, United States (U.S.) Bureau of Reclamation Construction Cost Trend 20-23, U.S. Army Corps of Engineers Cost Indices dated September 2022

Questions



ITEM 2.2: PROGRAM MANAGEMENT UPDATE

RESPONSIBLE/LEAD STAFF MEMBER:

Chuck Gardner, Program Manager

DISCUSSION:

Chuck Gardner, Program Manager, will present a status of JPA program-level activities. Monthly standing updates noted in the presentation include status of Authority contract authorizations, budget, schedule, cash flow, and agreements. Continued progress toward drafting project agreements has been made and an updated schedule for completion of those agreements as related to project funding is included in the presentation. At the request of the Board, projections for completion of each agreement is further detailed in the attached presentation noting key issues and approach to resolution.

An updated agreement resolution schedule is provided which reflects continued member agency feedback. The schedule is continuing to be refined with subsequent coordination with member agencies. Of note, this schedule reflects a potential delay due to member agency request to manage agreements sequentially in lieu of the proposed expedited concurrent approach. The revised schedule reflects prioritization of the Backstop Plan managed jointly by CCWD and EBMUD, as well as the Design and Construction Agreement (DCA) managed by CCWD. Additional agreements will be staggered following progress on the Backstop Plan and DCA.

The draft Strategic Communications Plan has been developed to align with and build on the overarching goals and priorities set forth by the Communications & Outreach Committee and approved by the Board of Directors. Plan elements encompass target audiences, communications coordination process, message platform, strategies, tactics, outreach schedule, and methods for evaluation. The draft plan and related efforts have been put on hold to focus team resources on agreement development and finalization.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

None.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

October Program Management Update Presentation.

The logo for the Los Vaqueros Reservoir Expansion Project is centered in the upper half of the image. It features the words "LOS VAQUEROS" in a bold, blue, sans-serif font. Below this, "RESERVOIR EXPANSION PROJECT" is written in a green, sans-serif font. To the right of the text is a vertical graphic element consisting of four stacked, trapezoidal shapes that resemble a dam or a reservoir cross-section, colored in a gradient from blue at the top to green at the bottom.

LOS VAQUEROS RESERVOIR EXPANSION PROJECT

The background of the slide is a scenic landscape photograph. It shows rolling green hills under a clear sky. In the middle ground, a large blue reservoir is visible, with a concrete dam structure on the left side. Several wind turbines are scattered across the hills in the distance. The foreground shows a dirt road winding through the greenery.

LVE Program Management Update
November 8, 2023

Overview

1. Accomplishments
2. Authority Contract Authorizations
3. Budget
4. Cash Flow
5. Schedule
6. Agreements
7. Next Steps

October Accomplishments

- Complete Draft of Service Agreement
- Convened CCWD FUA Ad Hoc
- Convened DCA Ad Hoc
- Revised CCWD FUA Term Sheet
- GM Feedback on Project Agreement Schedule

Authority Contract Authorizations



Los Vaqueros JPA Active Contracts and Progress Billings - September 2023

Contractor/Consultant/Vendor	Primary Responsibility	Contract Term	Max. Contract Value/NTE	Billed Through September 2023	Remaining Contract Value	% Term Expired	% Billed
CalMutuals - JPRIMA ¹	JPA Insurance Policy	05/30/2023 - 04/01/2024	\$ 62,261.00	\$ 62,261.00	\$ -	40%	100%
Clean Energy Capital - CEC	Finance/Credit Support	08/25/2022 - 06/30/2024	\$ 1,090,515.00	\$ 763,699.79	\$ 326,815.21	59%	70%
Eide Bailly, LLP	Accounting Services	07/01/2023 - 06/30/2024	\$ 98,000.00	\$ 8,146.75	\$ 89,853.25	25%	8%
Hallmark Group	Project Management/Controls	05/22/2023 - 06/30/2024	\$ 1,251,440.00	\$ 463,728.49	\$ 787,711.51	33%	37%
J Comm, Inc. ²	Project Video - CWC Requirement	08/16/2023 - 01/31/2024	\$ 22,000.00	\$ 10,000.00	\$ 12,000.00	27%	45%
Lagerlof, LLP ³	Legal	07/01/2023 - 06/30/2024	\$ 300,000.00	\$ 64,259.01	\$ 235,740.99	25%	21%
Natural Resource Results, LLC	Federal Relations/Lobbying	05/16/2023 - 06/30/2024	\$ 212,500.00	\$ 67,500.00	\$ 145,000.00	33%	32%
Regional Government Services - RGS ⁴	Board Clerk/Administration	03/08/2023 - 06/30/2023	\$ 25,000.00	\$ 16,666.92	\$ 8,333.08	Month-to-Month	67%
S&P Global Ratings	Rating Evaluation	12/19/2022 - [Open]	\$ 55,000.00	\$ 50,000.00	\$ 5,000.00	Open	91%
T. Ravazzini Consulting	Executive Director	09/14/2022 - 06/30/2025	\$ 1,270,220.00	\$ 450,731.91	\$ 819,488.09	37%	35%
C.J. Brown & Company CPAs	JPA Financial Audit	10/16/2023 - 06/30/2024	\$ 6,250.00	\$ -	\$ 6,250.00	0%	0%
Stradling Yocca Carlson & Rauth ⁵	Bond Counsel	10/24/2023 - 06/30/2025	\$ 225,000.00	\$ -	\$ 225,000.00	0%	0%

¹ Payment in full required on policy renewal date.

² Contract terms required \$10,000 payment due at signing.

³ Legal services "contract value" is an estimated FY24 cost projection not an actual contract or NTE.

⁴ Contract is month-to-month effective July 1, 2023.

⁵ Estimate based on proposed fee structure, no specified NTE value

Authority Budget Report

Month End September 30, 2023



Budget Cost Category	FY24 Budget	Budget To Date	Accrued Costs	Paid Costs	Total Accrued/Paid Costs	Budget Variance Over/(Under)
JPA Services ¹						
Management	\$ 1,706,000	\$ 426,500	\$ 471,766		\$ 471,766	\$ 45,266
Administration	\$ 250,000	\$ 62,500	\$ 8,244		\$ 8,244	\$ (54,256)
Financial	\$ 720,000	\$ 180,000	\$ 161,056		\$ 161,056	\$ (18,944)
External Affairs/Agency Support	\$ 470,000	\$ 117,500	\$ 55,000		\$ 55,000	\$ (62,500)
Legal	\$ 505,000	\$ 126,250	\$ 64,259		\$ 64,259	\$ (61,991)
Total JPA Services	\$ 3,651,000	\$ 912,750	760,325		\$ 760,325	\$ (152,425)
CCWD Services ²						
Management	\$ 75,000	\$ 6,250		\$ -	\$ -	\$ (6,250)
Environmental Planning/Design						
Dam Raise	\$ 1,324,400	\$ 110,367		\$ 80,316	\$ 80,316	\$ (30,051)
Transfer Bethany Pipeline	\$ 2,564,800	\$ 213,733		\$ 176,051	\$ 176,051	\$ (37,682)
Pumping Plant No. 1	\$ 1,260,800	\$ 105,067		\$ 46,229	\$ 46,229	\$ (58,838)
Program (not facility specific)	\$ 2,475,333	\$ 206,278		\$ 197,336	\$ 197,336	\$ (8,942)
Legal	\$ 860,000	\$ 71,667		\$ 52,286	\$ 52,286	\$ (19,381)
Fees	\$ 584,000	\$ 48,667		\$ -	\$ -	\$ (48,667)
Total CCWD Services	\$ 9,144,333	\$ 762,028		\$ 552,218	\$ 552,218	\$ (209,810)
CCWD Labor ³						
Management	\$ 203,000	\$ 50,750		\$ 75,401	\$ 75,401	\$ 24,651
Environmental Planning/Design						\$ -
Dam Raise	\$ 427,100	\$ 106,775		\$ 72,166	\$ 72,166	\$ (34,609)
Transfer Bethany Pipeline	\$ 621,780	\$ 155,445		\$ 118,878	\$ 118,878	\$ (36,567)
Pumping Plant No 1	\$ 427,080	\$ 106,770		\$ 75,561	\$ 75,561	\$ (31,209)
Program (not facility specific)	\$ 2,423,500	\$ 605,875		\$ 550,621	\$ 550,621	\$ (55,254)
Total CCWD Labor	\$ 4,102,460	\$ 1,025,615		\$ 892,627	\$ 892,627	\$ (132,988)
Total CCWD	\$ 13,246,793	\$ 1,787,643		\$ 1,444,845	\$ 1,444,845	\$ (342,798)
Total (excluding contingency)	\$ 16,897,793	\$ 2,700,393	\$ 760,325	\$ 1,444,845	\$ 2,205,170	\$ (495,223)
Contingency	\$ 2,175,207	\$ 543,802	\$ -	\$ -	\$ -	\$ (543,802)
Total	\$ 19,073,000	\$ 3,244,195	\$ 760,325	\$ 1,444,845	\$ 2,205,170	\$ (1,039,025)

Quarterly Projected Cash Flow Report

Fiscal Year 2024



	Beginning	FY24 - Q1 Jul - Sep	FY24 - Q2 Oct - Dec	FY24 - Q3 Jan - Mar	FY24 - Q4 Apr - Jun	Total
CASH - Beginning of Year	\$ -	\$ -	\$ 1,429,112	\$ 1,097,591	\$ 1,385,571	
CASH SOURCES						
LAP Funding (from Contra Costa Water District)		1,425,000	-	-	-	1,425,000
LAP Funding (invoiced by JPA - September 1, 2023)		619,500	3,717,000	-	-	4,336,500
LAP Funding (to be invoiced by JPA - January 5, 2024)		-	-	4,336,500	-	4,336,500
TOTAL CASH SOURCES		2,044,500	3,717,000	4,336,500	-	10,098,000
TOTAL CASH AVAILABLE	-	2,044,500	5,146,112	5,434,091	1,385,571	
CASH USES						
CCWD Progress Payments (per MPA 5)		-	2,913,000	2,913,000	-	5,826,000
EPA WIFIA Loan Application Fee		100,000	-	-	-	100,000
Management		320,866	414,322	414,322	414,322	1,563,832
Administration		1,569	75,866	75,866	75,866	229,167
Financial		100,376	153,208	153,208	153,208	560,000
External Affairs/Agency Support		40,000	130,279	130,279	130,279	430,837
Legal - General Counsel		43,380	77,207	77,207	77,207	275,000
Legal - Bond Counsel (TBD)		-	75,000	75,000	75,000	225,000
Insurance - General and Excess Liability		-	-	-	62,261	62,261
Contingent Costs		-	194,639	194,639	194,639	583,917
Direct Reimbursable Costs		9,197	15,000	15,000	15,000	54,197
TOTAL CASH USES		615,388	4,048,521	4,048,521	1,197,782	9,910,211
CASH - End of Year	\$ -	\$ 1,429,112	\$ 1,097,591	\$ 1,385,571	\$ 187,789	

Estimated Cost at Completion – All Costs Comparison (Costs in \$1,000)¹

¹ All costs shown are multiples of \$1,000 and are rounded up to the nearest \$100,000.

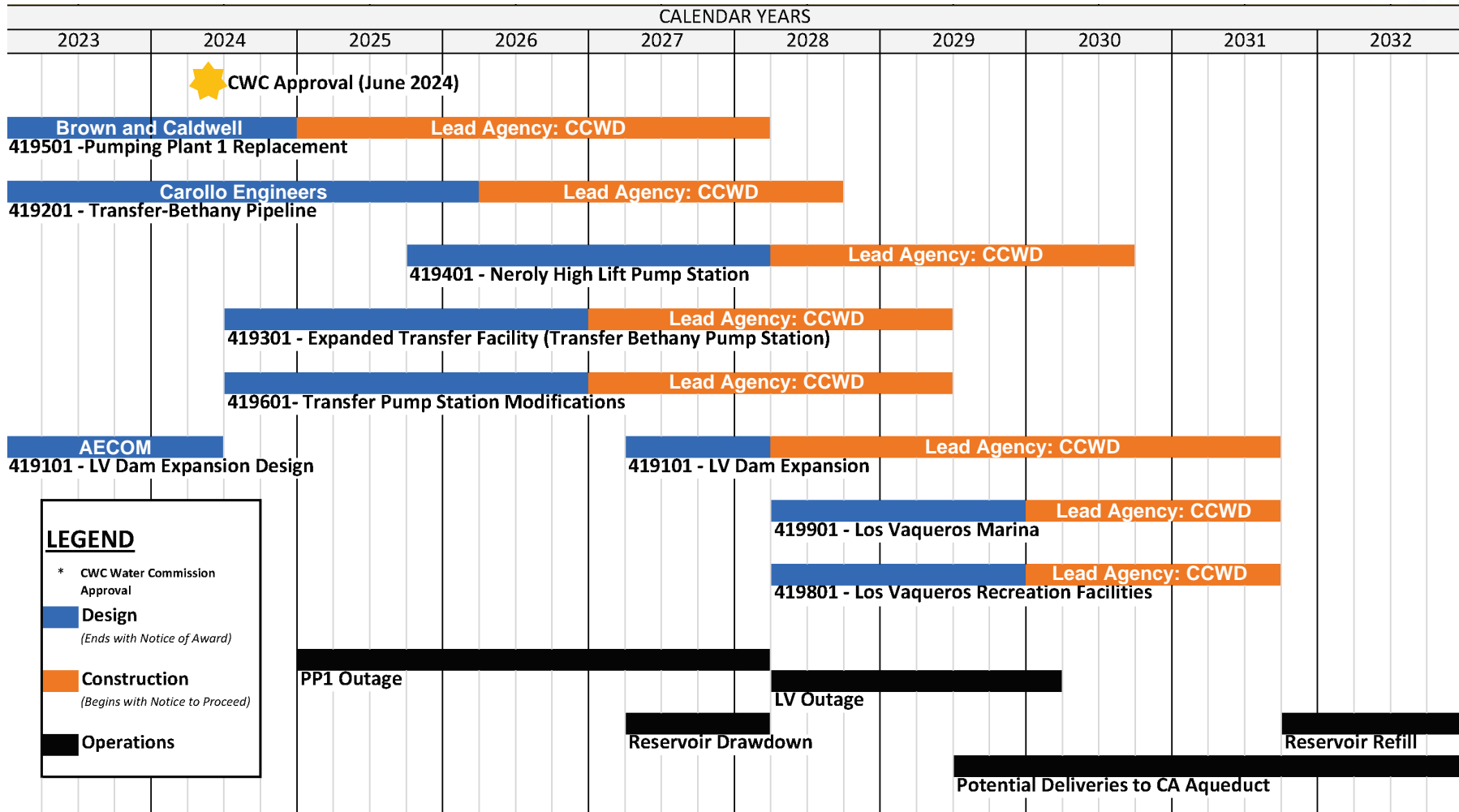
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Los Vaqueros Recreation Facilities	14,400	10,000	(4,400)	-31%
Los Vaqueros Marina Relocation	84,700	100,500	15,800	19%
Program Reserves ²	138,400	100,000	(38,400)	-28%
Subtotal	\$ 1,313,100	\$ 1,443,300	\$ 130,200	10%
EBMUD Mokelumne Aqueduct	\$ 23,700	\$ 23,700	\$ -	0%
JPA Costs				
Financing Cost	19,100	20,990	1,890	10%
JPA Admin Costs (Pre-Operations)	18,500	33,324	14,824	80%
Interest on LAP Contributions	2,300	2,450	150	7%
Subtotal	\$ 63,600	\$ 80,464	\$ 16,864	27%
Program Total	\$ 1,376,700	\$ 1,523,764	\$ 147,064	11%

Construction Schedule Summary

July 13, 2023



LEGEND

- * CWC Water Commission Approval
- Design**
(Ends with Notice of Award)
- Construction**
(Begins with Notice to Proceed)
- Operations**

General Manager Meeting

- Recommendation to prioritize Backstop Plan and Design and Construction Agreement
- Recommendation to revise agreement development schedule reflecting potential delay
- Additional revisions suggested are being incorporated
- Update in progress for presentation at next LVE JPA Board meeting
- Discussed and refined proposed resolution process

Service Agreements

Status	Issues
<ul style="list-style-type: none"> • Developed Working Draft • Member comments due 10/30 • Review with Legal Work Group 11/2 • LVE Partners Operations Simulation Tool • JPA support of member Business Case development 	<ul style="list-style-type: none"> • Operational rules • Cost allocation rules • Storage and conveyance capacity share

CCWD Facilities Usage Agreement

Status	Issues
<ul style="list-style-type: none"> • JPA Ad Hoc convened 10/16 • Termsheet revision for GM comment • Member comments due 10/27 • Term sheet revision complete • Awaiting CCWD advancement of DCA 	<ul style="list-style-type: none"> • Definition of provided capacity. • Accommodation of members use in relation to CCWD priority use.

EBMUD Design & Construction, O&M, Facilities Usage Agreement

Status	Issues
<ul style="list-style-type: none"> • Meeting to review EBMUD comments, in progress • Impasse issues by outside facilitator, if necessary 	<ul style="list-style-type: none"> • Availability of Freeport during drought conditions • Lead time for use of Freeport

CCWD Design Construction Agreement

Status	Issues
<ul style="list-style-type: none"> • Draft Termsheet with CCWD • CCWD meeting with ACWD, EBMUD 11/15 for issues resolution • CCWD to manage development 	<ul style="list-style-type: none"> • Cost Control • Reviews and Approvals • Contract Authority • Design Review Team

Agreement Development Progress

Agreement	Owner	Status	Ball In Court	Due Date
WIFIA Loan Agreement	M. Dutton (CCWD)	Application Submitted (9/22)	EPA	5/1/2024
Service Agreement	J. Ciampa (JPA Staff)	Working Draft	Members	6/1/2024
CCWD Design and Construction Agreement	C. Hentz (CCWD)	Termsheet	CCWD	4/17/2024
CCWD Facilities Usage Agreement	J. Quimby (CCWD)	Termsheet	JPA	5/8/2023
CCWD O&M Agreement	J. Quimby (CCWD)	Termsheet (Overdue 10/6)	CCWD	TBD
EBMUD Facilities Usage, Design/Construction, O&M Agreements	G. Su (EBMUD)	Working Draft	JPA	2/14/2024
Contracts for Administration of Public Benefits CDFW/DWR	Kristal Davis-Fadtke (CDFW) Jessica Boyt (DWR)	Draft Adaptive Management Plan / Legal Review	JPA/CCWD	3/1/2024
CCWD Backstop Agreement	G. Su (EBMUD) M. Martin (CCWD)	Memo Developed (8/10)	CCWD	5/8/2024

Federal & State Agreement Development Progress



Agreement	Owner	Status	Ball In Court	Due Date
Operations	D. Sereno (CCWD)	Not started		4/1/2024
Partnership	T. Ravazzini (JPA Staff)	Not started		3/1/2024
Refuge Water Supply	E. Wehr (Grassland)	In progress		4/1/2024

Contract for Administration of Public Benefits Update

- Initial meetings with DFW and DWR were held in August.
- Staff are working on developing initial adaptive management plan drafts for each CAPB.
- CAPB Workgroup convened Oct. 10 (Kick off and ecosystem benefits) and Oct. 13 (emergency response and recreation) and were provided updates and opportunities for input as more work product is developed.
- Draft adaptive management plan for ecosystem benefits will be shared with Reclamation prior to sharing with DFW.
- Final draft CAPBs are expected by February of 2024 for review by the California Water Commission and opportunity for public comment prior to executing the CAPBs before the final funding award hearing.

Next Steps

- Management of Agreement Issues Resolution
- Convene issues resolution groups
- Develop budget plan to mitigate delay

REPORTS

ITEM 3.1: DIRECTOR REPORTS

Design and Construction Agreement (DCA) Ad Hoc Committee

The DCA Ad Hoc Committee convened on October 9, 2023 and reviewed a proposed resolution process outlining a series of meetings to identify and resolve key issues with the DCA. Comments and feedback were incorporated into the process and the Ad Hoc further discussed identification of a Design and Construction Agreement Resolution Team on behalf of the JPA to work with CCWD to resolve key outstanding issues. Subsequent correspondence confirmed Clifford Chan of EBMUD, Ed Stevenson of ACWD, and Ryan McCarter of Valley Water to engage with CCWD.

CCWD Facilities Use Agreement (FUA) Ad Hoc

The CCWD Facilities Use Agreement Ad Hoc Committee convened on October 16, 2023 and appointed Jonathan Wunderlich as Chair. The draft term sheet was reviewed, and direction was provided to JPA staff to draft suggested language in response to comments in the form of a complete updated draft. The revised draft term sheet was updated and distributed to the Ad Hoc and general managers on October 24, 2023 requesting input by October 27, 2023. A small negotiating team will be identified with finance and/or water resources/operational experience to engage with the Ad Hoc and define areas for negotiation which will support subsequent discussions with CCWD.

ITEM 3.2: EXECUTIVE DIRECTOR’S REPORT

The following highlights additional key activities, which occurred last month and are not otherwise addressed in the packet.

Second Anniversary of the Joint Powers Authority – October 6, 2023 marked the second anniversary of the effective date of the Joint Exercise of Powers Authority Agreement establishing the Los Vaqueros Reservoir JPA. Some of the many “Year Two” accomplishments of the Authority were highlighted in a letter to the Board of Directors. See attached.

Leadership Workshop #5 with US Bureau of Reclamation – Close coordination with our federal partners continue as the fifth Leadership Workshop was held with Reclamation on October 26, 2023. See Item 3.3.2 October 2023 Engagement Activities with Reclamation.

We would also like to express our appreciation to Richard Welsh, Principal Deputy Regional Director of the California-Great Basin Region Office, who is set to retire at the end of November after a distinguished 30+ year career with Reclamation. Mr. Welsh has been a critical partner in assisting the Reclamation, JPA, and CCWD teams develop and maintain effective working relationships to address issues related to LVE’s federal benefits with the ultimate goal of getting this important locally-led project up and running.

Water for Wildlife Coalition: The Executive Director joined Grassland WD representatives on a bimonthly call with the Water for Wildlife Coalition on October 20. This included representatives from such organizations as The Nature Conservancy, Point Blue, California Waterfowl Association, Ducks Unlimited, Audubon, and Defenders of Wildlife, all which currently remain unopposed to the Project. This was an opportunity for the Executive Director to introduce herself to this group of stakeholders and provide an update on the Project. Several questions were fielded, particularly around the progress with the California Water Commission process and the development of the Contracts for the Administration of Public Benefits.

Virtual Tour Video Progress – The Authority continues to undertake the development of a “virtual tour” video of the Project, which is a requirement of the California Water Commission Proposition 1 Water Storage Investment Program. The Authority’s videographer, Nick Janes of JComm and his team, took some footage of last month’s Board meeting. Additionally, following the Board meeting, interviews were conducted of the Chair, Vice Chair, and Executive Director at the reservoir and additional footage was taken of the watershed. The contract with JComm for this WSIP requirement will be optimized to use some of the footage as a visual exhibit during the upcoming LVE Open House on November 28 at ACWA Fall Conference. See Open House invitation.

Presentations: Chuck Gardner, JPA Program Manager, provided a status and cost update to Valley Water’s Water Storage Exploratory Committee on October 13. Chair Ramirez Holmes has been invited to share an update on LVE at the ACWA Fall Conference Region 5 meeting.

EXHIBITS/ATTACHMENTS:

ACWA Open House Invitation

JPA Year Two Accomplishments

Contra Costa Water District Water Storage Investment Program Quarterly Report No. 21
for the Los Vaqueros Reservoir Expansion Project



TUESDAY
NOV. 28
2023

— AT —

3:30 – 4:30 P.M.

HYATT REGENCY
INDIAN WELLS
RESORT & SPA

Gardenia Room & Terrace

44600 Indian Wells Ln.
Indian Wells, CA 92210

Los Vaqueros Reservoir Expansion OPEN HOUSE COME ON BY!

You're invited to an open house hosted by the Los Vaqueros Reservoir Joint Powers Authority (JPA) to discuss the Phase 2 Los Vaqueros Reservoir Expansion Project. Meet JPA Board members, learn more about the Project, and mingle with the leaders, partners, and team members who are making it happen. Join us for a visit and refreshments!

Who Should Attend:

- Board members and staff from JPA Member Agencies
- Leadership and staff from state and federal agencies
- Leadership from other water agencies developing collaborative projects

Why Attend:

- Meet the JPA Board members and staff behind this unique regional water project
- Hear the latest about the JPA partnership for water storage investment
- Learn how municipal, agricultural, and environmental water users are working together

For More Information:

Visit the project website at www.LosVaquerosJPA.com.





October 27, 2023

Accomplishments in the Second Year of the Los Vaqueros Reservoir Joint Powers Authority

Board of Directors

Angela Ramirez Holmes, Chair
Zone 7 Water Agency

Anthea Hansen, Vice Chair
San Luis & Delta-Mendota Water Authority

Ellen Wehr, Secretary
Grassland Water District

Paul Sethy, Treasurer
Alameda County Water District

Antonio Martinez
Contra Costa Water District

Michael Tognolini
East Bay Municipal Utility District

Dennis Herrera
San Francisco Public Utilities Commission

Rebecca Eisenberg
Santa Clara Valley Water District

Executive Director

Taryn Ravazzini

Dear LVR JPA Board of Directors,

The Los Vaqueros Reservoir JPA (Authority) has demonstrated significant progress in its second year, highlighted by independent staffing to conduct all administrative and fiscal activities. The Authority has built a strong team to manage Authority operations through the procurement and selection of the executive director, general counsel, financial advisor, program manager, accounting, audit, federal relations, and bond counsel roles. With banking, financial services, and insurance recently secured, the JPA has successfully transitioned administration activities from Contra Costa Water District to the Authority. Additionally, the Board unanimously supported the execution of Amendments Nos. 4 & 5 to the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project, which secures continued Authority member funding through FY 2024.

The Authority's commitment to transparency and public engagement is demonstrated by regular reporting to the Board of Directors, as well as the Finance, Communications and Outreach, and Operations and Engineering Committees. The executive director and leadership team provide project status updates to member agency boards and committees, state and federal partners, non-government organizations, and community groups to ensure a broad understanding and awareness of the LVE Project and its regional benefits, in keeping with the Authority's 2023 Communications Goals and Priorities. The Authority remains engaged in industry outreach through its recent membership in the Association of

California Water Agencies (ACWA) and will be hosting another LVE Open House at the upcoming 2023 ACWA Fall Conference in Indian Wells.

The Authority team has developed and strengthened relationships with legislative and regulatory agency representatives in Washington D.C. and in Sacramento through a series of successful introductory visits and briefings, including with the Commissioner of the US Bureau of Reclamation (Reclamation), US Environmental Protection Agency (EPA), and Congressional members during Washington DC visits in the fall of 2022 and 2023. Those visits have resulted in additional federal appropriations being provided to the Project. Monthly Leadership meetings, together with Project facility owner and operator Contra Costa Water District, have been established with Reclamation to collaborate on project benefits and federal investment, evidenced by the \$110M in federal funding awarded to the Project between October 2022 and July 2023.

Drafts of the numerous project agreements are being developed and an updated Plan of Finance will be distributed in the coming month. The Authority team has conducted numerous key subgroup meetings with member agency staff to build consensus on major issues for service agreement development. Models, tools, and extensive analyses have been developed to aid member agencies in assessing their respective business cases for investment. A positive indicative credit rating was secured to best position the Authority for interim and long-term financing. The Project construction schedule and budget have been updated, and the WIFIA loan application was completed and submitted to the EPA.

As the Authority moves into its third year, we look forward to memorializing the Project partnership and benefits through the execution of the Project service agreement, other Project agreements between member agencies, finalizing the Proposition 1 WSIP-required Contracts for Administration of Public Benefits with state agencies, and securing funding agreements with the California Water Commission and Reclamation to move the Los Vaqueros Reservoir Expansion Project from design into construction.

Thank you for your continued leadership!

Sincerely,

A handwritten signature in blue ink that reads "Taryn Ravazzini". The signature is fluid and cursive, with a small flourish at the end.

Taryn Ravazzini
LVR JPA Executive Director



BOARD OF DIRECTORS

Ernesto A. Avila, P.E.

PRESIDENT

Antonio Martinez

VICE PRESIDENT

John A. Burgh

Connstance Holdaway

Patt Young

GENERAL MANAGER

Rachel Murphy, P.E.

October 27, 2023

Submitted Electronically to CWC@water.ca.gov

Matthew Swanson, Chair
California Water Commission
P.O. Box 942836
Sacramento, CA 94236

Subject: Submittal of the Water Storage Investment Program Quarterly Report No. 21 for the Los Vaqueros Reservoir Expansion Project

Dear Chair Swanson:

Contra Costa Water District is pleased to submit the Water Storage Investment Program Quarterly Report No. 21 for the Los Vaqueros Reservoir Expansion Project. The report provides an update on project status following the July 1, 2023 to September 30, 2023 quarter.

If you have any questions or require additional information, please contact Maureen Martin at (925) 688-8323 or mmartin@ccwater.com, or Maggie Dutton at (925) 688-8132 or mdutton@ccwater.com.

Sincerely,

A handwritten signature in blue ink that reads "Maureen Martin".

Maureen Martin, Ph.D.
LVE Program Manager

MM/MD:wec

Enclosures

Water Storage Investment Program Quarterly Report

The Quarterly Report is intended to document applicants' progress toward complying with regulation section 6013 and receiving final WSIP funding, including any changes in the magnitude of public benefits that could affect cost allocation. Applicants must provide a summary level update of the project status for the requirements and milestones listed below. The template may be modified as necessary to effectively communicate information. If minimal activities occurred during a reporting period, the report can be condensed.

- Note any issues or concerns that have, will, or could affect milestones or requirements.
- Identify key issues, including legal issues such as lawsuits or injunctions related to the project, that need to be resolved.
- Discuss how the actual schedule is progressing in comparison to the schedule provided in the Initial Report or the last reported schedule.
- Update the project schedule as needed.
- Note any milestones or accomplishments that occurred since submittal of the prior Quarterly Report.

Project Information

Project Name:

Los Vaqueros Reservoir Expansion Project

Applicant Name:

Contra Costa Water District

Date:

10/30/2023

Reporting Period:

Quarterly Report No. 21 - July 1, 2023 to September 30, 2023

General Update and Key Issues

Please provide a general update and describe any key issues that occurred during this reporting period. You may attach additional documents or pages if more space is needed:

No issues or concerns have been identified during the reporting period that could affect completion of milestones or requirements. CCWD and Local Agency Partners continue to make progress on Environmental Planning and Engineering Feasibility tasks through the WSIP Early Funding Agreement, and on the tasks required to schedule a final award hearing for WSIP funding for the LVE Project.

Items Required Prior to Scheduling a Final Award Hearing

The following items must be provided prior to scheduling a hearing. As applicable, please describe the status, estimated completion date, and percent complete of:

1. **Contracts for non-public cost share:**

Status: Local cost share agreements were recently amended amongst project partners and extends through June 2024. The Service Agreement between the JPA and the JPA Members is being developed to cover local share of project costs. The schedule for finalizing and executing the Service Agreement sets a target date for April 2024.

Estimated Completion Date: April 2024

Percent Complete: 70%

2. Contracts for administration of public benefits:

Status: Discussions continue with DWR and CDFW on individual project contract development.

Estimated Completion Date: February 2024

Percent Complete: 55%

3. Completed feasibility studies:

Status: Completed.

Estimated Completion Date: October 2021

Percent Complete: 100%

4. Final environmental documentation:

Status: Final Supplement to the Final EIS/EIR was released February 2020. CCWD Board approved in May 2020.

Estimated Completion Date: August 2020

Percent Complete: 100%

5. All required federal, state, and local approvals, certifications, and agreements:

Status: Coordination with federal, state, and local agencies is ongoing.

Estimated Completion Date: May 2024

Percent Complete: 70%

Items Required to Execute a Funding Agreement

Please provide an update, as applicable, on the following documents, which are needed to execute a funding agreement for the project:

- Applicant’s audited financial statements
- Final project costs, schedule, and scope of work
- Evidence of bilateral communications
- Limited waiver of sovereign immunity (see regulations section 6013(f)(8))

Updates to information provided in the Initial Report or prior Quarterly Reports are only needed when a significant change has occurred. The Commission may request submittal of updated information prior to executing a funding agreement.

No changes. At the inception of the program, CCWD submitted two years of financial statements to the CWC along with the WSIP Financial Management Systems Questionnaire. Final project costs, schedule, and scope of work are currently in development. Evidence of bilateral communications was provided in the WSIP application, and further pertinent evidence will be provided as communications between responsible agencies is initiated. CCWD is not a tribe and the project is not expected to impact tribal lands; thus, acquisition of a limited waiver of sovereign immunity is not applicable.

Status Update

Provide a status update for the following, as applicable:

- Labor Compliance
- Urban Water Management Plans
- Agricultural Water Management Plans
- Groundwater Management or Groundwater Sustainability Plans
- Potential effect of other conditionally eligible projects on the applicant's public benefits

Updates to information provided in the Initial Report or prior Quarterly Reports are only needed when a significant change has occurred. The Commission may request submittal of updated information prior to executing a funding agreement.

Labor compliance program is expected to begin prior to qualifying work (construction) in approximately 2025. CCWD's 2020 Urban Water Management Plan was approved by DWR May 23, 2022. CCWD's service area includes a small amount of agricultural water customers, but CCWD is not required to complete an AWMP based on the requirements described in SB X7-7. CCWD is a participant in the GSP development of the East Contra Costa Subbasin; the GSP was finalized in October 2021 and all implementing GSAs adopted the GSP. The GSP was approved by DWR in July 2023.

3.2.1 FEDERAL RELATIONS REPORT

WATER AND POWER LAW GROUP PC

BERKELEY · WASHINGTON, D.C.



To: Board of Directors, *Los Vaqueros Reservoir Joint Powers Authority*

From: Natural Resource Results and Water and Power Law Group

RE: Board Report – November 2023

Speaker of the House

On October 25th, House Republicans elected Mike Johnson (R-LA) as the new Speaker of the House, after Steve Scalise (R-LA), Jim Jordan (R-OH), and Tom Emmer (R-MN) all failed to garner enough support for the gavel over the last three weeks.

Prior to becoming Speaker, Johnson served as vice chair of the GOP conference — but was seen by hardline conservatives as somewhat outside the mainstream party leadership mentality that some of them faulted McCarthy for embodying. He sat on the House Armed Services and House Judiciary Committees. He is the first Speaker from Louisiana and is also the first Speaker since 2007 to win the speakership without serving as committee chair or in a top leadership position. Johnson is the first member of the House Judiciary Committee in modern times to win the gavel.

Appropriations

Shortly before being elected as Speaker, Congressman Johnson sent a letter to his Republican colleagues laying out his approach for the appropriations process. In that letter, he noted that his goal is for the House to pass all 12 appropriations bills between now and then end of the calendar year to strengthen its negotiating position with the Senate and White House. If the House is unable to accomplish this before the current Continuing Resolution (CR) expires on November 17th, Johnson supports another CR that would fund the government through January 15th or April 15th (whichever the conference prefers).

There is growing energy around attaching an extension of the Farm Bill to a future CR as well as security funding for Ukraine, Israel, Taiwan, and the U.S.-Mexico border. The inclusion of some or all of these components could complicate passage of a CR in which case they would likely be punted and dealt with on whatever government funding vehicle follows the next CR.

With the House's functional ability restored, Speaker Johnson has laid out his proposed agenda/timeline for the remainder of the appropriations process:

Week of 10/30 – Legislative Branch, Interior and Environment, Transportation

Week of 11/6 – Commerce Justice Science, Financial Services

Week of 11/13 – Labor/HHS, Agriculture

On October 26th, the House passed its version of the FY24 Energy and Water appropriations bill, which included Congressman Valadao's (R-CA) H.R. 215, the WATER For California Act. H.R. 215 would:

- Require the Bureau of Reclamation to operate the CVP in accordance with the 2019 biological opinions unless changes are agreed to as a part of the voluntary agreement process.
- Prevent reconsultation on the biological opinion unless certain criteria are met.
- Override state law to allow for Shasta raise to move forward.
- Retroactively fund WIIN Act funding request for the Shasta raise that were not approved by Congress (this would mean that less WIIN Act funding is available for projects like LVE)
- Reauthorize the storage account from the WIIN Act.
- Deem CVPIA complete.

The Democratic Senate and White House will not support moving forward with the text of this legislation include in an appropriations bill – passing the House is likely as far as this bill gets this Congress.

The House passed Energy and Water bill did not include Congressman Garamendi's amendment to release previously appropriated WIIN Act storage funding to projects in California. The amendment, which was cosponsored by Congressman Harder and Congressman Costa, would have released previously appropriated funding for LVE, Sites, Del Puerto, and B.F. Sisk.

Lobbying Coordination

On October 5th, NRR hosted the monthly lobbying coordination call with JPA member agency lobbyists. The purpose of the call was to debrief member agency lobbyists on the JPA's trip to Washington DC and answer questions about the trip (there were not any questions from the group).

3.2.2 OCTOBER 2023 ENGAGEMENT ACTIVITIES WITH RECLAMATION

The JPA, CCWD staff, and consultants are continuing to engage with Reclamation to advance several required agreements, approvals, and permits for the project construction. We held the fifth workshop with Reclamation's leadership on October 26, 2023.

- Reclamation continues to demonstrate commitment to meeting the Strike Team schedule with regards to completion and execution of the Record of Decision and the Partnership Agreement.
- Reclamation confirmed that that Federal investment focus in LVE would be towards Refuge water supply benefits. Reclamation would be pursuing an arrangement that allow them to access LVE unused conveyance capacity on a pay-as-you-go approach. Details of this arrangement will be developed with Reclamation over the next few months.
- Reclamation and JPA is preparations to initiate discussions on the terms sheet for the Refuge Acquisitions Agreement and the Partnership Agreement.

The next leadership meeting between the JPA, CCWD, and Reclamation is planned during ACWA November 27-29, 2023.

Monthly List of Authority Contracts Entered into by Executive Director

October 2023

<u>Contracts</u>	<u>Amount</u>	<u>Purpose</u>
Hyatt	\$2,300 (hold for minimum)	ACWA Conference Meeting Room
Total	\$2,300	

ITEM 3.4: COMMITTEE MEETING SUMMARIES

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

None.

ALTERNATIVES:

Not applicable.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- Finance Committee Meeting Summary October 26, 2023



SUMMARY OF REGULAR MEETING OF FINANCE COMMITTEE

October 26, 2023 – 8:30 a.m.

Directors Participating Telephonically:

Anthea Hansen	107 Cayuga, Santa Cruz, California 95063
Paul Sethy	46961 Zapotec Drive, Fremont, California 94539
Rebecca Eisenberg	2345 Waverly Street, Palo Alto, California 94301
Michael Tognolini	375 Eleventh Street, Oakland, California 94607

Chair Anthea Hansen called the meeting to order at 8:34 a.m. Authority staff and members of the public also attended the meeting.

Chair Hansen called for public comments on non-agenda items; none were received.

1.1 September 18, 2023 Finance Committee Meeting Summary. The draft summary of the September 18, 2023 Finance Committee meeting was presented for the Committee’s review and discussion. The draft summary was approved by the Committee, as presented.

Chair Hansen called for comments from members of the Committee and for public comments; none were received.

1.2 Draft Treasurer’s Report – Month Ended September 30, 2023. Jacqueline Harris, Program Controls Manager, presented the draft Treasurer’s Report for the month ended September 30, 2023, which showed Local Agency Partner funds received through September 30, 2023 from EBMUD and ACWD, and funds received from Zone 7 Water Agency as of October 25, 2023. The Committee asked that acronyms for Zone 7 Water Agency and San Francisco Public Utilities Commission be added to the Acronym Key on the Treasurer’s Report. Chair Hansen asked whether the outstanding receivables from the California Water Commission and the Bureau of Reclamation would be applied to JPA’s or CCWD’s cash on hand. She was advised those funds would be applied to CCWD’s cash on hand. Committee Member Sethy stated the JPA’s cash on hand appeared low and asked whether any additional payments are expected to be added to the cash on hand. He was advised that none were expected. Following the contributions from the three Local Agency Partners described above, the cash on hand in the

JPA account is \$2.667M as of October 26, 2023.

The Treasurer's Report for the month ended September 30, 2023 was approved with the recommended additions.

Chair Hansen called for comments from members of the Committee and for public comments; none were received.

1.3 Summary of Invoices – Month Ended September 30, 2023. Ms. Harris reviewed the summary of the Authority's invoices for September 30, 2023.

Chair Hansen called for comments from members of the Committee and for public comments; none were received.

1.4 JPA Administration Cost Estimate Update. Chuck Gardner, LVE JPA Program Manager, and the program management team presented an estimated cost at completion table to the Authority's Board of Directors at its October 11, 2023 meeting. That table needed an updated analysis of estimated Authority Administrative Costs. Upon reviewing initial assumptions and methodologies used to develop the amounts previously reported in the 2022 cost estimate, staff developed an updated budget and Administrative Cost estimate for discussion with the Committee.

Mr. Gardner and the Program Management team reviewed the updated 2023 cost estimate, and the sources of change noted in and between the 2022 to 2023 JPA Administrative Cost estimates, which included:

- The 2022 cost estimate assumed only a 3-year period, until funding was expected to be secured, which was assumed to be at the end of FY2023. The current 2023 version estimates costs through the end of construction, which is scheduled to be complete at the end of the first quarter of FY2032.
- In the 2022 cost estimate, CCWD Technical Services and Administrative Costs were included in JPA Administrative Costs; however, because costs for those services are contemplated in the 2023 Construction Cost estimate, those costs were reclassified to construction in the current 2023 cost estimate.
- Initial placeholder assumptions were used for consulting teams prior to procurement, and the scope and support for Authority administration was further defined through a competitive bidding process, resulting in an overall Authority administrative cost increase in the 2023 estimate as the proposals received exceeded those assumptions.
- Several professional services (legal, financial advisory services, external affairs, and program management) costs were estimated to be much lower in the 2022 estimate than in the 2023 estimate.
- The 3% annual escalations in the 2022 cost estimate were increased to 4% annual escalations in the current 2023 cost estimate based on the ENR rate for the SF area.
- Contingency was not included in the 2022 cost estimate but has been added to the current 2023 cost estimate at \$621K in FY2024, then at 10% of all costs excluding WIFIA fees for all remaining years, amounting to a total of \$3.3M through the end of the construction period. The 2023 cost estimate assumes contingency will be used;

however, if the contingency amount is not used, it will be carried over to the next fiscal year.

- The 2023 cost estimate contemplates schedule delays reflected in the July 2023 updated construction schedule.
- WIFIA fees were not included in the prior cost model and are estimated to be a one-time fee of \$300K, plus ongoing maintenance fees of \$20,000 per year.
- The current 2023 estimate also includes an assumption for an agreement support position at an estimated annual cost of \$300,000 per year for three years.

The combined result of the updated assumptions in the 2023 cost estimate is an expected net difference/increase of \$15.6 million through the end of the construction period.

Chair Hansen asked for clarification on the “Agreement Support” position included in the 2023 cost estimate. Executive Director Ravazzini advised the person or persons appointed to this proposed role, which may be broken up into two positions, would be responsible for helping the Authority implement agreements negotiated in coming years, which would likely include internal and external coordination of Project agreements as they are implemented and outreach to Members, Project partners and stakeholders to ensure the requirements of each adopted contract are met. Chair Hansen requested more information be provided on this item.

Committee Member Sethy asked Executive Director Ravazzini whether she anticipates the need for any additional support staff at this time. Executive Director Ravazzini advised that the Program Management team is providing the required support at this time; however, she may want to revisit this question when her contract is up for review in 2025, depending on any changed needs at that time. Chair Hansen also questioned the one-time social media cost estimate and asked whether additional expenses are anticipated going forward. Executive Director Ravazzini advised that this expense is a one-time expense to comply with the California Water Commission’s WSIP requirement to present a short video that showcases the Project. Chair Hansen asked that the reference to “social media” be changed to “Water Commission Compliance.” Executive Director Ravazzini agreed to make that proposed change. Committee Member Sethy complimented the Program Management team on the updated Authority Administrative Cost Estimate and thanked the team for bringing some of the issues it discovered with the 2022 cost estimate to the Committee’s attention.

Chair Hansen called for comments from members of the Committee and for public comments; none were received.

1.5 Finance Committee Reschedule Dates. Executive Director Ravazzini noted the upcoming November 23, 2023 and December 28, 2023 Finance Committee meetings conflict with holidays, which will reduce availability and participation by the Committee and public. She advised that she will follow-up with the Finance Committee members to determine alternate dates for rescheduling those meetings as a combined session, or possibly canceling one of those meetings. Chair Hansen requested that any revised dates be placed on the calendar soon as possible for planning purposes.

Chair Hansen called for comments from members of the Committee and for public comments; none were received.

FUTURE AGENDA ITEMS:

1. Evaluation on spending in the months ahead.
2. Update on Plan of Finance.
3. Master Resolution.

The meeting adjourned at 9:27 a.m.

Reid Miller

Reid Miller
General Counsel