



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
AGENDA**

Regular Meeting of the Board of Directors
April 13, 2022 – 9:30 a.m.

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

Pursuant to the provisions of Government Code Section 54953(e), as amended by Assembly Bill 361, any Director and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Zoom link below without otherwise complying with the Brown Act's teleconference requirements.

Please click the link below to join the webinar:

<https://lagerlof.zoom.us/j/82264614906>

Or One tap mobile:

US: +16699006833,,82264614906#

Or Telephone:

US: +1 669 900 6833

Webinar ID: 822 6461 4906

Any member of the public wishing to make any comments to the Board of Directors may do so by accessing the above-referenced link where they may select the option to join via webcam or teleconference. Members of the public may also submit written comments to the Interim Clerk by 4:00 p.m. on the day prior to the meeting for the Interim 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. Members of the public will be disconnected from the meeting prior to any Closed Session, if applicable.

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the Authority's Interim Clerk at rperea@lagerlof.com by 4:00 p.m. on April 12, 2022 to inform the Authority of your needs and to determine if accommodation is feasible. Each item on the Agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item. Materials related to items on this Agenda are available for public review at: www.losvaquerosjpa.com/board-meetings.

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
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Dennis Herrera, Director, San Francisco Public Utilities Commission
Gary Kremen, Director, Santa Clara Valley Water District [to be sworn in]
TBD, Director – Ex Officio - Department of Water Resources

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District
Ernesto Avila, 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
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Sandy Figuers, Alternate Director, Zone 7 Water Agency
TBD, Alternate Director – Ex Officio, Department of Water Resources

CONSIDER ADOPTION OF RESOLUTION NO. 4-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM APRIL 8, 2022 TO MAY 7, 2022 PURSUANT TO BROWN ACT PROVISIONS.

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 March 9, 2022 Board of Directors Meeting

ACTION ITEMS

- 2.1 Consider adoption of Ordinance No. 01-2022 – An Ordinance of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Adopting and Implementing Claims Procedures**
- 2.2 Consider adoption of Resolution No. 4-22-02 – Resolution of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Adopting the State CEQA Guidelines for Implementing the California Environmental Quality Act (California Code of Regulations, Title 14, Chapter 3) and Adopting Environmental Review Procedures**
- 2.3 Consider adoption of Resolution No. 4-22-03 – Resolution of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Adopting Investment Policy**
- 2.4 Consider adoption of Resolution No. 4-22-04 – Resolution of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Adopting Debt Management Policy**

DISCUSSION ITEMS

- 3.1 JPA Board In-Person Meetings**
- 3.2 WIFIA Funding Approach**
- 3.3 Review of Board Policy and Action Calendar**

FUTURE AGENDA ITEMS

REPORTS

- 4.1 Directors**
- 4.2 Treasurer**
- 4.3 Interim General Counsel**
- 4.4 Interim Administrator**

ADJOURNMENT

CONSIDER ADOPTION OF RESOLUTION NO. 4-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM APRIL 8, 2022 TO MAY 7, 2022 PURSUANT TO BROWN ACT PROVISIONS.

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, Interim General Counsel

RECOMMENDATION:

That the Los Vaqueros Reservoir Joint Powers Authority (Authority) Board of Directors' (Board) approve the above-referenced resolution making certain findings to allow for the Authority's Board meetings to continue to be conducted remotely by teleconference without compliance with the Brown Act's established teleconference meetings requirements, as permitted by AB 361, while ensuring public access to such Board meetings.

DISCUSSION:

At the November 10, 2021 Board of Directors' meeting, the Board approved Resolution No. 11-21-01, which authorized the Board to conduct its meetings virtually by video conference. That resolution made certain findings as required by Assembly Bill 361 (AB 361) with respect to such remote meetings. That resolution has been continued at the subsequent Board meetings.

AB 361 requires that a subsequent resolution be adopted every 30 days to make findings that the emergency conditions justifying such remote meetings continue to exist. Attached Resolution No. 4-22-01 sets forth those required findings to allow for continued remote teleconferenced Board meetings, including that requiring in-person attendance at meetings of the Board would pose an imminent risk to the health and safety of those in attendance, while ensuring public access to those meetings. The attached resolution is substantially similar to the resolutions the Board previously adopted.

The resolution will take effect immediately and will be effective for 30 days, or until such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board may continue to meet by teleconference without compliance with Government Code section 54953(b)(3).

ALTERNATIVES:

If the Board does not adopt the resolution, in-person attendance will be required, or for those calling in, compliance with the notice and posting, in-person participation, and quorum requirements in Government Code section 54953(b)(3) would be required.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Resolution No. 4-22-01

RESOLUTION NO. 4-22-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM APRIL 8, 2022 TO MAY 7, 2022 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) is committed to preserving and nurturing public access and participation in meetings of its Board of Directors; and

WHEREAS, all meetings of the Authority’s Board of Directors are to be open and public, as required by the Ralph M. Brown Act (California Government Code Sections 54950 – 54963), so that any member of the public may attend, participate, and watch the Board conduct its business; and

WHEREAS, the Brown Act, in Government Code Section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body without compliance with the requirements of Government Code Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition for application of Section 54953(e) is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the Authority’s boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Authority’s Board of Directors previously adopted Resolutions finding that the requisite conditions exist for the Authority’s Board of Directors to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953; and

WHEREAS, such conditions continue to exist in the Authority’s geographical jurisdiction, specifically, a state of emergency has been proclaimed in the State of California pertaining to the threat to the health, safety and well-being of the Authority’s directors, staff,

vendors, contractors, customers and residents presented by COVID-19, and its Delta, Omicron and possibly other variants, which remain highly contagious; and

WHEREAS, orders and guidance from local counties and regulations from the State of California impose limitations on gatherings and provide guidance on best practices with respect to actions to reduce the spread of COVID-19; and

WHEREAS, allowing all individual members of the Authority's Board of Directors and staff to travel from various areas around the state to meet in person would present an imminent risk to the health and safety of attendees given the spread of the Delta, Omicron and other variants of the COVID-19 virus throughout the state; and

WHEREAS, the Authority's Board of Directors does hereby find that the continuing state of emergency poses imminent risks to attendees and has caused, and will continue to cause, conditions of peril to the safety of persons within the Authority's jurisdiction that are likely to be beyond the control of services, personnel, equipment, and facilities of the Authority, and the Board of Directors desires to re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the continuing local emergency, the Board of Directors does hereby find that the Authority's Board of Directors and any Authority committees shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Section 54953, and shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Section 54953; and

WHEREAS, the Authority will provide proper notice to the public regarding all Authority Board of Directors' and committee meetings, in accordance with Government Code Section 54953(e)(2)(A) and shall provide notice to the public of how they may access any such meeting via call-in number and/or internet link.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation Regarding Local Emergency. The Board of Directors hereby proclaims that a local emergency continues to exist in the geographical jurisdiction of the Authority and allowing individual members of the Authority's Board of Directors and members of the public to meet in person would present an imminent risk to the health and safety of attendees, and that conducting Authority Board of Directors virtually will minimize the possible spread COVID-19 and any variant thereof.

Section 3. Re-Ratification of Governor’s Proclamation of a State of Emergency. The Board hereby again ratifies the Governor of the State of California’s Proclamation of State of Emergency regarding COVID-19, dated March 4, 2020.

Section 4. Remote Teleconference Meetings. The Interim Administrator, Authority staff and the Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code Section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) the expiration of thirty (30) days from the date this Resolution was adopted, as set forth below, or (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors of the Authority may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 13th day of April, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

Attest:

Ellen Wehr, Secretary

CONSENT CALENDAR

ITEM 1.1: APPROVAL OF MINUTES FROM MARCH 9, 2022 BOARD OF DIRECTORS MEETING

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, Interim General Counsel

RECOMMENDATION:

That the Authority's Board of Directors approve the attached minutes from the March 9, 2022 Board of Directors meeting.

DISCUSSION:

The Interim Clerk, Interim General Counsel, Interim Administrator and Secretary have prepared the attached draft minutes from the March 9, 2022 Board of Directors meeting.

ALTERNATIVES:

Any suggested revisions to the draft March 9, 2022 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft minutes from March 9, 2022 Board of Directors meeting.



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
MINUTES**

Regular Meeting of the Board of Directors
March 9, 2022 – 9:30 a.m.

CALL TO ORDER at 9:37 a.m.

PLEDGE OF ALLEGIANCE – led by Vice Chair Anthea Hansen

ROLL CALL OF DIRECTORS

Angela Ramirez Holmes, Chair, Zone 7 Water Agency (arrived at 9:49 a.m.)
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District
Ernesto Avila, Alternate Director, Contra Costa Water 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
*Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
*Sandy Figuers, Alternate Director, Zone 7 Water Agency (*until Chair Ramirez Holmes arrived)

*Alternate Directors who replaced absent Directors from their member agencies

ABSENT

Dennis Herrera, Director, San Francisco Public Utilities Commission
Gary Kremen, Director, Santa Clara Valley Water District [to be sworn in]
Lesa McIntosh, Alternate Director, East Bay Municipal Utility District

OTHERS PRESENT

Marguerite Patil, Contra Costa Water District

Maureen Martin, Contra Costa Water District
Mimi Mehaouchi, Contra Costa Water District
James Ciampa, Lagerlof, LLP, Interim General Counsel
Rosemarie Perea, Interim Board Clerk
Joel Lopez, Lagerlof, LLP
Diane Schmidt, Lagerlof, LLP
Approximately 17 others

CONSIDER ADOPTION OF RESOLUTION NO. 3-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM MARCH 9, 2022, TO APRIL 7, 2022 PURSUANT TO BROWN ACT PROVISIONS.

Assembly Bill 361 (AB 361) requires that a subsequent resolution be adopted every 30 days to make findings that the emergency conditions justifying such remote meetings continue to exist. Like prior resolutions the Board previously adopted, Resolution No. 3-22-01 sets forth the findings required by AB 361 to allow for continued remote teleconferenced Board meetings. The resolution will take effect immediately and will be effective for 30 days, or until such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board may continue to meet by teleconference without compliance with Government Code section 54953(b)(3).

After discussion and upon motion by Director Borba, seconded by Alternate Director LeZotte, Resolution No. 3-22-01 was approved by the following roll call vote:

AYES: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
 Paul Sethy, Director, Alameda County Water District
 Lisa Borba, Director, Contra Costa Water District
 John Coleman, Director, East Bay Municipal Utility District
 Ellen Wehr, Director, Grassland Water District
 Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
 Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
 Sandy Figuers, Alternate Director, Zone 7 Water Agency

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

CONSENT CALENDAR

1.1

Approval of Minutes from February 9, 2022 Board of Directors' Meeting

Upon motion by Director Sethy, seconded by Alternate Director Figuers, the February 9, 2022, Minutes, in the form presented, were approved by the following roll call vote:

AYES: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Sandy Figuers, Alternate Director, Zone 7 Water Agency

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

Chair Ramirez Holmes entered the meeting at 9:49 a.m.

ACTION ITEMS

2.1

Consider adoption of Resolution No. 3-22-02 – Resolution of the Board of Directors of Los Vaqueros Reservoir Joint Powers Authority Adopting Policy Statement: Commitment to Diversity and Accessibility

Marguerite Patil, Interim Administrator, advised that staff developed the policy statement attached to Resolution No. 3-22-02, setting forth the Authority's commitment to diversity and accessibility for the Board's consideration and possible adoption. The draft policy statement was presented to the Board at its February 9, 2022 meeting. The policy statement is modeled after the Policy Principles on Diversity, Equity and Inclusion adopted by the California Urban Water Agencies, of which several Authority Members are members. The policy statement is unchanged from the statement provided at the February 9, 2022 Board meeting.

After discussion and upon motion by Alternate Director Ritchie, seconded by Director Wehr, and unanimously carried, Resolution No. 3-22-02 Adopting Policy Statement: Commitment to Diversity and Accessibility was adopted 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
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote.

2.2

Consider Adoption of Resolution No. 3-22-03 – Resolution of the Board of Directors of Los Vaqueros Reservoir Joint Powers Authority Adopting Board Meeting and Decorum Policy

James Ciampa, Interim General Counsel, advised that as discussed at the February 9, 2022 Board meeting, many public agencies adopt Board Meeting and Decorum Policies to apply to their board of directors' meetings. Such policies set ground rules for communications at board meetings, both with members of the public and among directors and staff.

The Board Meeting and Decorum Policy is presented for approval, with a minor revision from the Board's discussion at the February 9, 2022 Board meeting in Section 2(b) on page 24 of the agenda packet to specifically address the confidentiality of closed session discussions and documents. That policy would establish such rules of decorum for the Authority's Board meetings, including for members of the public in addressing the Board and for Directors and Alternate Directors in connection with Board discussions.

After discussion and upon motion by Director Coleman, seconded by Director Borba, and unanimously carried, Resolution No. 3-22-03 Adopting Board Meeting and Decorum Policy was approved, including the changes noted in the form provided, 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
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote.

DISCUSSION ITEMS

3.1

JPA Board In-Person Meetings

Marguerite Patil, Interim Administrator, discussed that as the Omicron variant of COVID-19 has subsided and COVID-19 cases overall continue to decline, the Board will need to determine in coming months how and where it desires to conduct its meetings.

In answer to questions posed by members of the Board, Interim General Counsel, James Ciampa, advised that the statute allowing for remote teleconference meetings of the Board of Directors still applies, but there must be a proclaimed state of emergency in effect and either an imminent risk to the health and safety of in-person attendees or ordered or recommended social distancing in effect. If trends continue to decline, the Board will need to decide on the location of its meetings.

The Directors and Alternate Directors then discussed how their respective agencies are handling their board meetings and other COVID-19-related restrictions. Interim General Counsel Ciampa was then asked to prepare a memorandum to be brought back to the Board for discussion at the April 13 Board meeting, setting forth options as to how to proceed.

Interim Administrator Patil noted that it will take a significant amount of time to consider a location to implement possible technology for hybrid meetings.

3.2

Authority Management Approach

Interim Administrator Patil advised that at the February 9, 2022, Board meeting, the Board gave staff direction on how to initially proceed with the recruitment process for an Executive Director. The Interim Administrator advised that several recommendations for a recruiting firm have been received. An Ad Hoc Committee will make the initial selections from among the candidates submitted and will conduct the first round of interviews.

Chair Ramirez Holmes has appointed the Ad Hoc Committee that will assist in that process, consisting of Chair Ramirez Holmes of Zone 7 Water Agency, Alternate Director Jose Gutierrez representing San Luis & Delta-Mendota Water Authority and Alternate Director Steve Ritchie of San Francisco Public Utilities Commission.

3.3

FY23 Budget Development Approach

Interim Administrator Patil gave an overview of the approach in preparing the Fiscal Year 2023 (FY23) Budget. She noted the Authority's Joint Exercise of Powers Agreement (the "JPA Agreement") requires the Board to adopt a budget prior to the start of each July 1-June 30 Fiscal Year. The JPA Agreement gives the Board discretion on whether to adopt a single year or bi-annual budget, but the thought is that a one-year budget for Fiscal Year 2022-23 is appropriate.

The Interim Administrator and staff are currently working on developing the FY23 Budget for the Authority in the coming months. The Finance Committee will have an important role in that process before the draft budget is presented to the Board of Directors. Also, the Finance Work Group will assist the process. It is her plan to have a draft Budget to the Board in May for discussion and the final version in June for approval. Ms. Patil asked for feedback from the Board. Several Directors voiced their preference for an initial single-year budget and then transitioning to a two-year budget moving forward.

3.4

Draft Government Claims Policy

Interim General Counsel Ciampa advised the Board that Government Code Section 935 authorizes local agencies to adopt their own claims procedures, which can include broader categories of potential claims being subject to the claims-filing requirement than are otherwise required under the Government Claims Act. A draft claim form is attached to the draft procedures, and use of that form would be required under the proposed procedures. The proposed procedures otherwise follow the claims procedures of the Government Claims Act.

Section 935 requires that a local agency's claims procedures be adopted by charter (not applicable to the Authority), ordinance or regulation (not yet established by the Authority), so the proposed procedures have been prepared in the form of an ordinance. If subsequently adopted by the Board, staff would follow applicable requirements in publishing and posting notice of the procedures after adoption by the Board and there would be a 30-day delay in the ordinance taking effect.

Chair Ramirez Holmes requested that this matter be brought back next month for action.

3.5

Draft CEQA Guidelines Implementation

Interim General Counsel Ciampa advised that the California Environmental Quality Act ("CEQA"), in Public Resources Code Section 21082, requires that all public agencies adopt by ordinance, resolution, rule or regulation, objectives, criteria and procedures for the evaluation of projects and the preparation of environmental reports and negative declarations. The Office of Planning and Research has prepared the CEQA Guidelines, which are set forth in Title 14, Chapter 3 of the California Code of Regulations, to implement CEQA and provide further criteria and procedures to implement CEQA. Subdivision (d) of Section 15022 of the CEQA Guidelines authorizes a local agency to adopt the CEQA Guidelines by incorporation by reference to those regulations.

A draft resolution was provided which would adopt the CEQA Guidelines as the Authority's "objectives, criteria and procedures" as specified in Public Resources Code Section 21082 by incorporating those Guidelines by reference. The draft resolution was reviewed by the project's CEQA counsel, who suggested an addition to the resolution and that provision was added to the draft resolution.

It was the consensus of the Board that this matter be brought back for action at the April 13 Board meeting.

3.6

Review of Board Policy and Action Calendar

Interim Administrator Patil provided the updated Board Policy and Action Calendar for the Board's information. The Calendar, in outline form, includes Board meeting items by month for the next six months. In addition, the overview graphic included is organized by functional area to show potential discussion and action items for Authority Board and Committee meetings for 2022 and early 2023. Ms. Patil advised she will add committee items as needed.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 – Directors

Chair Ramirez Holmes advised she will work with the chair of each committee to schedule meetings. Director Wehr stated that Grassland Water District hosted representatives of East Bay Municipal Utilities District for a tour of the wetlands, focusing on ecological practices in the grasslands. Director Coleman noted that he had received favorable comments from one of his fellow EBMUD directors regarding that tour.

4.2 - Treasurer

Treasurer Paul Sethy advised he attended a meeting on March 2, 2022 with Contra Costa Water District’s finance team and he was very impressed with that team. A finance workshop on the 2023 fiscal budget will be held on March 14, 2022. Interim Administrator Patil provided information on federal and state funding activities and stated the California Water Commission would be meeting on March 16 to consider further inflation adjustments.

4.3 - Interim General Counsel

No report.

4.4 - Interim Administrator

Interim Administrator Patil stated she and Mr. Ciampa met with the Department of Water Resources to discuss the filling of its Ex Officio seat on the Authority’s Board.

The meeting was adjourned at 10:39 a.m.

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

ACTION ITEMS

ITEM 2.1: CONSIDER ADOPTION OF ORDINANCE NO. 01-2022 – AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ADOPTING AND IMPLEMENTING CLAIMS PROCEDURES

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, Interim General Counsel

DISCUSSION:

Government Code Section 935 authorizes local agencies to adopt their own claims procedures, which can include broader categories of potential claims being subject to the claims-filing requirement than are required under the Government Claims Act. For example, Government Code Section 905 exempts various types of claims from the claim-filing requirement under that Act, including claims under stop notices, employee claims and claims under bonds, notes or other evidences of indebtedness. Section 935 provides that such exceptions “shall be governed by the procedure prescribed in any charter, ordinance, or regulation adopted by the local public entity” and thus a local agency can require claims to be filed on the subjects otherwise excepted under Section 905.

The draft procedures to be considered would require a claim to be filed with the Authority for the types of claims exempted by Section 905. Also, a draft claim form is attached to the draft procedures, and use of that form would be required under those proposed procedures. The proposed procedures otherwise follow the claims procedures of the Government Claims Act.

Lastly, Section 935 requires that a local agency’s claims procedures be adopted by charter (not applicable to the Authority), ordinance or regulation (not yet established by the Authority), so the proposed procedures have been prepared in the form of an ordinance. If adopted by the Board, staff would follow applicable requirements in publishing and posting notice of the claim procedures after adoption by the Board and there would be a 30-day delay in the ordinance taking effect.

ALTERNATIVES:

The Board could opt not to adopt its own claims procedures and rely on the statutory provisions, which would include the exemptions under Government Code Section 905 discussed above. Alternatively, the Board could defer acting on these procedures until a later date.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft Ordinance No. 01-2022 – An Ordinance of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Adopting and Implementing Claims Procedures

LOS VAQUEROS JOINT POWERS RESERVOIR AUTHORITY

ORDINANCE NO. 01-2022

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF
LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
ADOPTING AND IMPLEMENTING CLAIMS PROCEDURES**

WHEREAS, it is in the best interest of the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) to adopt and implement its own claim procedures, which pursuant to Government Code Section 935 must be adopted by ordinance or regulation,

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Claims Presentation Procedures

1.1 Claims against the Authority

This claims presentation procedure shall govern all claims against the Authority for money or damages, including those which are excepted by Government Code Section 905, and which are not governed by any other statutes or regulations expressly relating to such claims.

1.2 Claim Prerequisite

All persons or entities which have any claim for money or damages against the Authority shall first file a claim in accordance with the procedures set forth herein as a prerequisite to the filing of any lawsuit against the Authority.

1.3 Accrual of Cause of Action

For the purpose of computing the time limits prescribed herein, the date of the accrual of a cause of action to which a claim relates is the date upon which the cause of action would be deemed to have accrued within the meaning of the statute of limitations that would be applicable to a cause of action based upon such claim.

1.4 Contents and Presentation of Claim

A claim shall be presented by the claimant or by a person acting on his or her behalf in accordance with Government Code Section 915. Pursuant to Government Code Section 910.4, a person presenting a claim shall use the claim form the Authority has prepared, as attached to this ordinance, as it may be revised from time to time. Any claim submitted to the Authority that is not presented using that form may be returned to the person who submitted the claim. Any such claim shall include all of the following on that form:

- a) The name and post office address of the claimant;

- b) The post office address to which the person presenting the claim desires the notices to be sent;
- c) The date, place and other circumstances of the occurrence or transaction that gave rise to the claim asserted;
- d) A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of presentation of the claim;
- e) The name or names of the Authority employee or employees causing the injury, damage, or loss, if known;
- f) The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time or presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, the claim shall indicate whether the claim would be a limited civil case; and
- g) The claim shall be signed by the claimant or by some person acting on his or her behalf.

1.5 Time for Presentation of Claim

Any claim relating to a cause of action for death or for injury to person or to personal property or growing crops shall be presented no later than six months after the accrual of the cause of action. A claim relating to any other cause of action shall be presented no later than one year after the accrual of the cause of action.

1.6 Amendment of Claims

Any claim may be amended at any time before the expiration of the period designated in Section 1.5, above, or before final action on such claim is taken by the Board of Directors, whichever is later. The amended claim must relate to the same transaction or occurrence that gave rise to the original claim. The amendment shall be considered a part of the original claim for all purposes.

1.7 Notice of Insufficiency of Claim

If, in the opinion of the Authority’s Administrator or Executive Director, as applicable, or such other person designated by the Board of Directors to review claims submitted to the Authority, a claim fails to comply substantially with the requirements of this procedure, the Authority may give written notice of the insufficiency of such claim in the manner provided by Section 1.11, below, within 20 days after presentation of the claim, which notice shall state with particularity the defects or omissions in the claim. The Board may not take action on the claim for a period of 15 days after such notice is mailed.

1.8 Notice of Late Claim

Where a claim which must be presented not later than six months after accrual of the cause of action is presented after such time without an Application for Leave to Present a Late Claim, the Administrator or Executive Director, as applicable, or such other person designated by the Board may, at any time within 45 days after the claim is presented, give written notice in accordance with Government Code Section 911.3(a) to the person presenting the claim that the claim was not filed timely and that it is being returned without further action.

1.9 Application for Leave to Present Late Claim

When a claim that is required to be presented no later than six months after the accrual of the cause of action is not presented within such time, the claimant must make written application to the Authority for leave to present such claim.

An Application for Leave to Present Late Claim must be presented to the Authority as hereinafter provided within a reasonable time not to exceed one year after the accrual of the cause of action. The application shall state the reason for the delay in presenting the claim, and the proposed claim must be attached to the application.

In computing the one-year period within which an Application for Leave to Present Late Claim must be made, the time during which the person who sustained the alleged injury, damage or loss is a minor shall be counted, but the time during which he or she is mentally incapacitated and does not have a guardian or conservator of his or her person shall not be counted.

The Board of Directors shall grant or deny the Application of Leave to Present Late Claim within 45 days after it is presented to the Authority. The claimant and the Authority may extend the period within which the Board of Directors is required to act by written agreement made before the expiration of the 45-day period.

The Board of Directors shall grant the Application for Leave to Present Late Claim where one of more of the following is applicable:

- a) The failure to present the claim was through mistake, inadvertence, surprise or excusable neglect and the Authority was not prejudiced in its defense of the claim by the failure to present the claim within the time required under Government Code Section 911.2.
- b) The person who sustained the alleged injury, damage or loss was a minor during all of the time provided for presentation of the claim.
- c) The person who sustained the alleged injury, damage or loss was physically or mentally incapacitated during all of the time provided for presentation of the claim, and because of such disability failed to present the claim during such time.

- d) The person who sustained the alleged injury, damage or loss died before the expiration of the time specified for presentation of the claim.

If the Board fails or refuses to act on an Application within 45 days after it is presented to the Authority, the Application shall be deemed to have been denied on the 45th day after presentation or, if the period within which the Board is required to act is extended by agreement pursuant to this section, the last day of the period specified in the agreement.

If the Application is denied, the notice of such denial shall include a warning in substantially the following terms:

“WARNING: If you wish to file a court action on this matter, you must first petition the appropriate court for an order relieving you from the provisions of Government Code Section 945.4 (Claims Presentation Requirements). See Government Code Section 946.6. Such petition must be filed with the court within six months from the date your Application for Leave to Present a Late Claim was denied.

“You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult with an attorney you should do so immediately.”

If an Application for Leave to Present a Late Claim is granted by the Board of Directors, the claim shall be deemed to have been presented to the Board on the day that leave to present the late claim is granted.

1.10 Authority Action on Claim

- a) The Board of Directors shall act on a claim within 45 days after the claim has been presented. If a claim is amended, the Board shall act on the amended claim within 45 days after the amended claim is presented.
- b) The claimant and the Authority may extend the period within which the Board is required to act on the claim by written agreement made (a) before the expiration of such period; or (b) after the expiration of such period if an action based on the claim has not been commenced and is not yet barred by the limitation period specified in Government Code Section 945.6.
- c) If the Board fails or refuses to act on a claim within the time prescribed, the claim shall be deemed to have been rejected by the Board on the last day of the period within which the Board was required to act upon the claim.

- d) The Board may act on a claim in one of the following ways:
 - (1) If the Board finds the claim is not a proper charge against the Authority, it shall reject the claim.
 - (2) If the Board finds the claim is a proper charge against the Authority and is for an amount justly due, it shall allow the claim.
 - (3) If the Board finds the claim is a proper charge against the Authority but is for an amount greater than that which is justly due, it shall either reject the claim in its entirety, or allow it in the amount justly due and reject it as to the balance.
 - (4) If the Authority's liability or the amount justly due is disputed, the Board may reject the claim or may settle the claim.
- e) The Authority shall pay the amount allowed on the claim or in compromise of the claim in the same manner as if the claimant had obtained a final judgment against the Authority for that amount. The Authority may require the claimant to execute a release in favor of the Authority as a condition of allowing or compromising the claim. If an agreement for payment of the claim in installments is made, the Authority may, in its discretion, prepay without penalty any one or more installments or any part of an installment. Any agreement for payment of a claim in more than ten equal annual installments must be approved by a court of competent jurisdiction.

1.11 Delivery or Mailing of Claim, Amendment, or Application

Any notice of a Board action with respect to a claim or Application for Leave to Present a Late Claim shall be given by either of the following methods:

- a) Personally delivering the notice to the person presenting the claim or making the application; or
- b) Mailing notice to the address, if any, stated in the claim or application as the address to which the person presenting the claim or making the application desires notices to be sent or, if no such address is stated in the claim or application, by mailing the notice to the address, if any, of the claimant as stated in the claim or application.
- c) If the claim or application is submitted electronically, by sending the notice to the electronic address from which the claim or application was received unless the person presenting the claim or making the application requests notice to be sent to an alternative electronic address.

No notice need by given where the claim or application fails to state either an address to which the person presenting the claim or making the application desires notices to be sent or an address of the claimant.

Where notice from the Authority is given by mail, the notice shall be mailed in the manner prescribed herein, and deposited in the United States Post Office, or a mailbox, sub-post office, substation, or mail chute, or other likely facility regularly maintained by the government of the United States, in a sealed envelope, properly addressed, with postage paid. The notice shall be deemed to have been presented and received at the time of the deposit. Proof of the mailing may be made in the manner prescribed by Section 1013a of the Code of Civil Procedure. The Authority may include in any written agreement to which it is a party, provisions governing the presentation of any claims arising out or related to that agreement and the consideration and payment of such claim. Such agreement may incorporate by reference these claim presentation procedures and may include a requirement that a claim be presented and acted upon as a prerequisite to suit thereon.

1.12 Prohibition Against Suit in Absence of Presentation of Claim

No suit for money or damages may be brought against the Authority on a cause of action for which a claim is required to be presented in accordance with these claims presentation procedures or with the California Tort Claims Act (Government Code Sections 900 et seq.) until a written claim therefore has been presented to the Authority and has been acted upon by the Board of Directors, or has been deemed to have been rejected by the Board, in accordance with this procedure and with the California Tort Claims Act.

Any suit brought against the Authority on a cause of action where a claim is required to be presented must be commenced:

- a) If written notice of Board action on the claim is given by the Authority, not later than six months after the date such notice is personally delivered or deposited in the mail; or
- b) If written notice of Board action on the claim is not given by the Authority, within two years from the accrual of the cause of action.

SECTION 2. If any section, subsection, paragraph, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid, unconstitutional or unenforceable, these decisions shall not affect the validity of the remaining portions of this ordinance. The Board of Directors hereby declares that this ordinance and each section, subsection, division, paragraph, sentence, clause, phrase, and portion thereof would have been adopted irrespective of the fact that one or more portions of this ordinance may be declared invalid, unconstitutional or unenforceable.

SECTION 3. This Ordinance shall take effect 30 days after its adoption. The Authority's Secretary, or the Authority Secretary's duly appointed deputy, shall attest to the adoption of this Ordinance and shall cause this Ordinance to be posted in the manner required by law.

ORDINANCE NO. 01-2022 WAS DULY PASSED, APPROVED, AND ADOPTED BY THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY AT ITS REGULAR MEETING ON APRIL 13, 2022 BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

Los Vaqueros Reservoir Joint Powers Authority Claim Form

(A claim shall be presented by the claimant or by a person acting on his or her behalf)
(Attach additional pages as may be necessary to provide all requested information)

1	Claimant name, address, phone number and e-mail address:
	Name:
	Address(es):
	Phone Number: E-mail Address:
2	Address and e-mail address to which the person presenting the claim desires notices to be sent:
	Name:
	Address:
	E-mail Address:
3	Name, address, phone number and e-mail address of any witnesses:
	Name:
	Address:
	Phone Number: E-mail Address:
4	Date, time, place and other circumstances of the occurrence which gave rise to the claim asserted:
	Date: Time: Place:
	Tell what happened (give complete information):
	NOTE: Attach any photographs you may have regarding this claim.
5	General description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of presentation of the claim:
6	Name or names of the public employee or employees causing the injury, damage, or loss, if known:
7	If the actual amount of your claim is less than \$10,000, indicate the exact amount of your claim, and if possible, show specific itemization and/or include copies of any documents in support thereof. If the amount of the claim exceeds \$10,000, no dollar amount should be included in this claim form. However, it is necessary to indicate whether jurisdiction will rest in Superior-Limited or Unlimited. (Jurisdiction for any claim under \$25,000 would rest in Superior-Limited, and any claim \$25,000 or over would rest in Superior-Unlimited.)
	Date: Time: Signature of Claimant:
ANSWER ALL QUESTIONS. OMITTING INFORMATION OR SIGNATURE COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT.	

ITEM 2.2 **CONSIDER ADOPTION OF RESOLUTION NO. 4-22-02 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ADOPTING THE STATE CEQA GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CALIFORNIA CODE OF REGULATIONS, TITLE 14, CHAPTER 3) AND ADOPTING ENVIRONMENTAL REVIEW PROCEDURES**

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, Interim General Counsel

DISCUSSION:

The California Environmental Quality Act (“CEQA”), in Public Resources Code Section 21082, requires that all public agencies adopt by ordinance, resolution, rule or regulation, objectives, criteria and procedures for the evaluation of projects and the preparation of environmental reports and negative declarations. The Office of Planning and Research has prepared the CEQA Guidelines, which are set forth in Title 14, Chapter 3 of the California Code of Regulations, to implement CEQA and provide further criteria and procedures to implement CEQA. Subdivision (d) of Section 15022 of the CEQA Guidelines authorizes a local agency to adopt the CEQA Guidelines by incorporation by reference to those regulations.

The draft resolution provided today would adopt the CEQA Guidelines as the Authority’s “objectives, criteria and procedures” as specified in Public Resources Code Section 21082 by incorporating those Guidelines by reference.

ALTERNATIVES:

The Board could adopt its own version of guidelines to implement its compliance with CEQA or could defer this item to future Board meetings.

FISCAL ANALYSIS:

Preparation of a set of environmental guidelines for the Authority would involve legal fees in the \$2,000 to \$2,500 range.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft Resolution No. 4-22-02 - Resolution of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Adopting the State CEQA Guidelines for Implementing the California Environmental Quality Act (California Code of Regulations, Title 14, Chapter 3) and Adopting Environmental Review Procedures

RESOLUTION NO. 4-22-02

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ADOPTING THE STATE CEQA GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CALIFORNIA CODE OF REGULATIONS, TITLE 14, CHAPTER 3) AND ADOPTING ENVIRONMENTAL REVIEW PROCEDURES

WHEREAS, Section 21082 of the Public Resources Code and Section 15022 of the California Code of Regulations require each California public agency to adopt specific procedures for administering the California Environmental Quality Act; and,

WHEREAS, Section 15022 of the California Code of Regulations permits a public agency to adopt the California Code of Regulations, Chapter 3, Guidelines for Implementation of the California Environmental Quality Act, (the “CEQA Guidelines”) through incorporation by reference and to then adopt only the procedures which are necessary to tailor the general provisions of the CEQA Guidelines to the specific operations of the agency;

WHEREAS, the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) was formed in connection with the second phase of the expansion of the Los Vaqueros Reservoir (the “Project”) and must adopt its local guidelines for implementing CEQA to make them consistent with the current provisions and interpretations of CEQA; and

WHEREAS, the adoption of the CEQA Guidelines for the Implementation of the California Environmental Quality Act (California Code of Regulations, Title 14, Chapter 3, Sections 15000 et seq.), as currently amended, would ensure the Authority’s policy complies with the most current version and interpretation of the law; and

THEREFORE, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority hereby determines the following:

1. The CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3, Sections 15000 et seq.), as currently amended, are hereby adopted and are incorporated by reference as the “Los Vaqueros Reservoir Joint Powers Authority California Environmental Quality Act Guidelines,” which shall hereafter be updated as the state’s CEQA Guidelines are updated.
2. To the extent applicable in connection with the construction of any Facilities, as defined in the Authority’s Joint Exercise of Powers Agreement, or other Project-related activities, the Authority shall fully comply with all CEQA requirements in reviewing and approving such Facilities or activities as a component of the Project.

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 13th day of April, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

Attest:

Ellen Wehr, Secretary

ITEM 2.3: CONSIDER ADOPTION OF RESOLUTION NO. 4-22-03 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ADOPTING INVESTMENT POLICY

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, Interim General Counsel

DISCUSSION:

Government Code Section 53646(a)(2) provides that a local agency’s treasurer may render to the local agency’s governing body a statement of investment policy. Many public agencies adopt an investment policy to govern the investment of any surplus monies.

While the Authority currently does not have any surplus funds, it likely will have surplus monies in the future. The attached draft Investment Policy tracks the Government Code’s provisions regarding various permissible investments and applicable limitations and includes a quarterly reporting requirement in compliance with Section 53646(b) (see Section 13 of the draft Policy on page 32). The Policy also delegates certain investment-related decisions to the Treasurer, although with the Authority’s unique structure, the intent is for the Treasurer to provide oversight of such decisions in working with Authority staff and contractors.

The Finance Committee approved the draft Investment Policy at its March 31 meeting, but subsequent discussions have resulted in proposed changes to the draft Policy, as redlined below.

ALTERNATIVES:

The Board could adopt a narrower policy that does not provide the full variety of permissible investments (e.g., allowing only investments in the Local Agency Investment Fund). Alternatively, the Board could defer action on the Investment Policy until a later date.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Resolution No. 04-22-03 Resolution of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Establishing its Investment Policy

RESOLUTION NO. 4-22-03

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
ESTABLISHING ITS INVESTMENT POLICY**

1. POLICY

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

WHEREAS, the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 53601 and 53635; and

WHEREAS, the Treasurer of the Los Vaqueros Reservoir Joint Powers Authority (“Authority”) must prepare and submit a statement of investment policy and must subsequently, on an annual basis, submit such policy and any changes thereto for consideration by the Authority’s the Board of Directors at a public meeting.

NOW THEREFORE, it shall be the policy of the Authority to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the Authority’s daily cash flow demands and conforming to all statutes governing the investment of Authority funds.

2. SCOPE

This investment policy applies to all financial assets of the Authority. These funds are accounted for in the annual Authority audit.

3. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Authority, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the “prudent investor” standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. **OBJECTIVES**

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing Authority funds, the primary objectives, in priority order, of the investment activities shall be:

- a. **Safety:** Safety of principal is the foremost objective. Investments of the Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- b. **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements which might be reasonably anticipated.
- c. **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

5. **DELEGATION OF AUTHORITY**

Authority to manage the investment program is derived from California Government Code Sections 53600, et seq. Management responsibility for the investment program is hereby delegated to the Treasurer [or such other person or entity designated by the Board of Directors](#), who, where appropriate, shall establish written procedures for the operation of the investment program consistent with this investment policy [and approved by the Board](#). No person may engage in an investment transaction except as provided under the terms of this policy and such procedures that are established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish controls to regulate the activities of subordinate officials. Under the provisions of California Government Code Section 53600.3, the Treasurer is a trustee and a fiduciary subject to the prudent investor standard.

The Authority may engage the services of one or more external investment managers to assist in the management of the Authority's investment portfolio in a manner consistent with the Authority's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

6. **ETHICS AND CONFLICTS OF INTEREST**

Officers, ~~and~~ employees [and contractors](#) involved in the investment process shall refrain from personal business activity that could conflict or appear to conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. [Such officers, employees and contractors shall comply with all applicable state laws and regulations regarding conflicts of interest, including, but not limited to, the Political Reform Act and Government Code Section 1090.](#)

7. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Treasurer will maintain a list of approved security broker/dealers who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For broker/dealers of government securities and other investments, the Authority shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Treasurer shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the Authority's account with that firm has reviewed the Authority's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the Authority that are appropriate under the terms and conditions of the Investment Policy.

When funds of the Authority not placed in FDIC-insured accounts are invested through the Local Agency Investment Fund (LAIF), the Treasurer need not be concerned with the qualifications of those financial institutions and broker/dealers with whom LAIF transacts business.

Selection of broker/dealers used by an external investment adviser retained by the Authority will be at the sole discretion of the investment adviser.

8. AUTHORIZED AND SUITABLE INVESTMENTS

The Authority's investments are governed by California Government Code, Sections 53600 et seq. Within the investments permitted by the Code, the Authority seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and credit rating requirements listed in this section apply at the time the security is purchased.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

The Authority is empowered by California Government Code Sections 53601 et seq. to invest in the following:

- a. Bonds issued by the Authority.
- b. United States Treasury Bills, Notes and Bonds.

- c. Registered state warrants or treasury notes or bonds issued by the State of California.
- d. Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, and California.
- e. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or joint powers agencies. The Local Agency Investment Fund (LAIF) is an approved pooled investment account.
- f. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by, or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. No more than 30% of the portfolio may be invested in any single Agency/GSE issuer. The maximum percentage of callable agency securities in the portfolio is 20%.
- g. Bankers acceptances, otherwise known as bills of exchange or time drafts, which are drawn on and accepted by a commercial bank. Purchase of bankers' acceptances may not exceed 180 days' maturity or 40% of the Authority's money that may be invested pursuant to this policy. However, no more than 5% of the Authority's money can be invested in the bankers' acceptances of any single commercial bank.
- h. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall either be:
 - (1) organized and operating within the United States, as a general corporation, shall have total assets in excess of five hundred million dollars (\$500,000,000), and shall issue debt, other than commercial paper, if any, that is rated in the "A" category or higher by a Nationally Recognized Statistical Rating Organization (NRSRO); or
 - (2) organized within the United States as a special purpose corporation, trust, or limited liability company, have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond, and has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO; orEligible commercial paper shall have a maximum maturity of 270 days or less. The Authority shall invest no more than 25% of its money in eligible commercial paper. The Authority shall purchase no more than 10 percent of the outstanding commercial paper of any single corporate issue. No more than 5% of the total portfolio may be invested per issuer.
- i. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the

California Financial Code), ~~or a state or federal credit union, or by a state licensed branch of a foreign bank.~~ Purchases of negotiable certificates of deposit shall not exceed 30 percent of the Authority's money, subject to the limitations of Government Code Sections 53601(i) and 53638. The Board of Directors and the Treasurer are prohibited from investing Authority funds, or funds in the Authority's custody, in negotiable certificates of deposit issued by a state or federal credit union if a member of the Board of Directors, or any person with investment decision making authority within the Authority also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit. No more than 5% of the total portfolio may be invested per issuer.

- j. Placement service deposits, including certificates of deposit, at a commercial bank, savings bank, savings and loan association or credit union that uses a private sector entity that assists in the placement of such deposits. Placement service deposits shall not in total exceed 50% of the Authority's money, subject to the limitations and requirements of Government Code Section 53638 and 53601.8.
- k. Repurchase/Reverse Repurchase Agreements of any securities authorized by Section 53601. The market value of securities that underlay a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities. Repurchase agreements are restricted to a maturity of one year and are subject to the special limits and conditions of California Government Code 53601(j). Reverse repurchase agreements are subject to additional conditions including a maximum maturity of 92 days in accordance with California Code 53601(j)(3).
- l. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in the "A" category or better by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this policy and may not exceed 30 percent of the Authority's money which may be invested pursuant to this policy. No more than 5% of the total portfolio may be invested per issuer.
- m. Shares of beneficial interest issued by diversified management companies (mutual funds) investing in the securities and obligations authorized by this policy, and shares in money market mutual funds, subject to the restrictions of Government Code Section 53601(l). The purchase price of investments under this subdivision shall not exceed 20% of the Authority's money that may be invested pursuant to this policy. However, no more than 10% of the Authority's money may be invested in any one mutual fund, except in the case of money market mutual funds. No more than 20% of the Authority's money may be invested in a single money market mutual fund that either:

(1) has attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or

(2) has retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the Securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.

- n. Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements. These monies must be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.
- o. Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- p. Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond from issuers other than the U.S. Treasury or a U.S. Federal Agency/GSE. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by a NRSRO. Purchase of securities authorized by this subdivision may not exceed 20% of the Authority's money that may be invested pursuant to this policy.
- q. Supranational securities provided that they are U.S. dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. The securities are rated in the "AA" category or higher by a NRSRO. No more than 30% of the total portfolio may be invested in these securities. No more than 10% of the portfolio may be invested in any single issuer.

- r. Any other investment security authorized under the provisions of California Government Code Sections 5922 and 53601.

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as provided above.

A summary of the limitations and special conditions that apply to each of the above listed investment securities is attached and is included by reference in this Investment Policy.

Pursuant to Government Code Sections 53601.6 and 53631.5, the Authority shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero-interest accrual if held to maturity. Under a provision sunseting on January 1, 2026, securities backed by the U.S. Government that could result in a zero or negative interest accrual if held to maturity are permitted.

9. COLLATERALIZATION

All certificates of deposits must be collateralized by U. S. Treasury Obligations. Collateral must be held by a third-party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code Section 53601(j) (2).

10. SAFEKEEPING AND CUSTODY

All security transactions entered into by the Authority shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the Authority by book entry, physical delivery or by third party custodial agreement. The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools (e.g., LAIF); (ii) time certificates of deposit; and, (iii) mutual funds and money market mutual funds, since these securities are not deliverable.

11. DIVERSIFICATION

The Authority will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Diversification strategies shall be determined and revised periodically, if determined necessary to meet Authority goals. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- a. Portfolio maturity dates shall be matched versus liabilities to avoid undue concentration in a specific maturity sector.
- b. Maturities selected shall provide for stability of income and liquidity.
- c. Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

12. MITIGATING CREDIT RISK IN THE PORTFOLIO

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Authority will mitigate credit risk by adopting the following strategies:

- a. No more than 5% of the total portfolio may be invested in securities of any single issuer, other than the US Government, its agencies and enterprises, LAIF, or unless otherwise specified in this investment policy;
- b. The Authority may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity or yield of the portfolio in response to market conditions or Authority's risk preferences; and,
- c. If securities owned by the Authority are downgraded by either Moody's or S&P to a level below the quality required by this Investment Policy, it will be the Authority's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
 1. If a security is downgraded, the Treasurer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
 2. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and as deemed necessary reported to the Board of Directors.

13. REPORTING

The Treasurer shall submit a monthly transaction report to the Board of Directors within 30 days of the end of the reporting period in accordance with California Government Code Section 53607. In addition, the Treasurer shall submit an investment report to the Board of Directors at least quarterly. The report shall be submitted within 30 days following the end of the reporting period covered by the report. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for Authority by third party contracted managers. The report will also include the source of the portfolio valuation. If all funds are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and, (2) the Authority will meet its expenditure obligations for the next six months, as required by Government Code Section 53646(b)(2) and (3), respectively. The Treasurer shall maintain a complete and timely record of all investment transactions.

14. INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by resolution of the Authority. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Directors.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 13th day of April, 2022, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

Govt. Code Section	Investment Type	Maximum Maturity	Authorized Limit (%)	State Code Issuer Limit (%)	Investment Policy Issuer Limit (%)	Required Rating Category
53601(a)	Bonds issued by Los Vaqueros Reservoir Joint Powers Authority	5 years	None	N/A	N/A	None
53601(b)	U.S. Treasury Bills, Notes and Bonds	5 years	None	N/A	N/A	None
53601(c)	California Warrants or Bonds	5 years	None	N/A	N/A	None
53601(d)	Other States Treasury Notes or Bonds	N/A	None	N/A	N/A	None
16429.1	Local Agency Investment Fund (LAIF)	N/A	None	N/A	N/A	None
53601(f)	U.S. Agencies or Enterprises	5 years	None	N/A	30%	None
53601(g)	Bankers Acceptances	180 days	40%	30%	5%	None
53601(h) & 53601.8	Prime Commercial Paper	270 days	25%	10%*	5%	A-1 or equivalent
53601(i)	Negotiable Certificates of Deposit	5 years	30%	N/A	5%	None
53601.8 53635.8	Placement Service Deposits	5 years	50%	N/A	N/A	None
53601(j)	Repurchase/Reverse Repurchase Agreements	1 year **	None	N/A	N/A	None
53601(k) 53601.6(b)	Medium-Term Corporate Notes	5 years	30%	10%*	5%	A
53601(l)	Mutual Funds/ Money Market Mutual Funds ***	5 years	20%	10% 20%	10% 20%	****
53601(m)	Bond/COP Funds	N/A	None	N/A	N/A	None
53601(n)	Collateralized Bank Deposits	5 years	None	N/A	N/A	None
53601(o)	Mortgage Pass-Through Securities	5 years	20%	N/A	N/A	AA
53601(q)	Supranational	5 years	30%	N/A	10%	AA

* No more than 10% of the Authority's total investment assets may be invested in the commercial paper and medium-term notes of any single issuer.

** The one-year limitation for Repurchase/Reverse Repurchase Agreements is subject to a further limitation set forth in Government Code Section 53601(i)(4), which, if applicable, may limit the maturity to 92 days.

*** Mutual Funds maturity may be defined as the weighted average maturity; money market mutual funds must have an average maturity of 60 days or less, per SEC regulations.

**** Highest ratings from two of the top three rating agencies or has retained an investment adviser registered or exempt from registration with the SEC with not less than five years' experience investing in the securities authorized by Government Code Section 53601 and with AUM in excess of \$500 million.

ITEM 2.4 CONSIDER ADOPTION OF RESOLUTION NO. 4-22-04 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ADOPTING DEBT MANAGEMENT POLICY

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, Interim General Counsel

DISCUSSION:

A Debt Management Policy includes written guidelines, allowances, and requirements that guide the debt issuance practices of a state or local government, including the issuance process, management of a debt portfolio, adherence to various laws and regulations, post-issuance compliance for IRS purposes, and post-issuance compliance for continuing disclosure purposes. Because the Authority contemplates issuing debt in the future, it would be prudent to have a Debt Management Policy early in the Authority’s existence to guide decisions and provide guidelines for the structure of debt issuance. Adherence to a Debt Management Policy signals to rating agencies and the capital markets that a local agency is well managed and therefore is likely to meet its debt obligations in a timely manner.

ALTERNATIVES:

The Board could adopt revisions to the draft Debt Management Policy or could defer action on this item to a later date.

FISCAL ANALYSIS:

No fiscal impact at this time.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Resolution No. 4-22-04 – Resolution of the Board of Directors of Los Vaqueros Reservoir Joint Powers Authority Establishing Debt Management Policy

RESOLUTION NO. ____-22-____

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
ESTABLISHING DEBT MANAGEMENT POLICY**

WHEREAS, the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) will likely be entering into debt financing transactions in the future; and

WHEREAS, it is prudent for a local agency that will issue debt to have a Debt Management Policy in place to guide decisions and provide guidelines for the structure of a debt issuance; and

WHEREAS, adherence to a Debt Management Policy signals to rating agencies and capital markets that a local agency is well managed and therefore is likely to meet its debt obligations in a timely manner,

NOW THEREFORE, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority hereby adopts the following policy as the Authority’s Debt Management Policy.

**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
DRAFT DEBT MANAGEMENT POLICY**

1. PURPOSE

The purpose of this Debt Management Policy is to establish guidelines for the issuance and management of debt to be issued by the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”), and to provide guidance for decision makers with respect to options available for financing capital projects related to the Phase 2 Los Vaqueros Reservoir Expansion Project, the “Project,” as defined in the Authority’s Joint Exercise of Powers Agreement (“JPA Agreement”), so that the most prudent, equitable, and cost effective financing can be chosen. For purposes of this policy, the term “debt” includes “Bonds,” as defined in the JPA Agreement.

2. OVERVIEW

This Debt Management Policy documents the objectives to be achieved by staff both prior to, and subsequent to, issuance of debt, and is designed to promote objectivity in the decision-making process, and to facilitate the financing process by establishing important policy decisions in advance.

This Debt Management Policy is intended to comply with Government Code Section 8855(i) and shall govern all debt undertaken by the Authority.

3. GENERAL POLICY PRINCIPLES

1. DEBT MANAGEMENT GOALS

This Debt Management Policy shall govern all debt undertaken by the Authority. The Authority hereby recognizes that a fiscally prudent debt policy is required in order to:

- Establish and maintain the Authority's sound financial position;
- Ensure the Authority has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses;
- Protect the Authority's credit-worthiness;
- To ensure total debt does not constitute an unreasonable burden to the Authority and its Members;
- Ensure that the Authority's debt is consistent with the Authority's planning goals and objectives and budget for contemplated Project components, as applicable, and;
- Ensure fiscal responsibility under prevailing economic conditions.

2. PURPOSE AND USE OF DEBT

The Authority will utilize reasonable debt financing to fund long-term improvements related to the Project, including those facilities specified in Exhibit B to the JPA Agreement. Debt can be issued to fund planning, pre-design, design, land and/or easement acquisition, and construction, as well as to procure related fixtures, equipment, and pay other costs as permitted by law.

Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. The Authority may use long-term debt financings subject to the following conditions:

- The project to be financed must be approved by the Authority Board;
- The proceeds of any debt obligation shall be expended only for the purpose for which it was authorized;
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%, or will otherwise meet or exceed any such requirement imposed by law;
- The Authority estimates that sufficient revenues will be available to service the debt through its maturity, and;
- The Authority determines that the issuance of the debt will comply with the applicable state and federal laws.

3. TYPES OF DEBT

The Authority may use revenue bonds, Certificates of Participation (COPs), variable rate bonds, state revolving fund (SRF) loans, federal loans, bank loans, notes, commercial paper, direct placements, installment sale agreements, capital leases, and lease-purchase financing. The Authority may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Management Policy.

In addition to the aforementioned long-term and short-term financing instruments, the Authority may also consider joint arrangements with other governmental agencies. Communication and coordination will be made with local governments regarding cost sharing in potential joint projects, including leveraging grants and funding sources. The Authority is authorized to issue debt in coordination with its Members, as specified in the JPA Agreement.

4. CAPITAL IMPROVEMENTS AND BUDGET

The Authority is committed to long-term capital planning. The Authority intends to issue debt for the purposes stated in this Debt Management Policy. The Authority shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues and reserve funds.

The Authority will seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear. The Authority shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are appropriately funded.

5. METHOD OF SALE

As applicable to the type of debt issuance, the Authority will select the method of sale that best fits the type of issuance, market conditions, and the desire to structure any applicable maturities to improve the performance of the debt portfolio.

6. CREDITWORTHINESS OBJECTIVES

Ratings are a reflection of the fiscal soundness of the Authority and its Members, and the capabilities of its management. Typically, the higher the credit ratings, the lower the interest cost on the Authority's debt issuances. To enhance creditworthiness, the Authority is committed to prudent financial management, systematic capital planning, and long-term financial planning. The Authority recognizes that external economic, natural, and other events may affect the creditworthiness of its debt.

7. REDEMPTION FEATURES & REFUNDING POLICY

To preserve flexibility and refinancing opportunities, the Authority debt will generally be issued with call provisions, which enable the Authority to retire the debt earlier or enable the refunding of the debt prior to maturity. The Authority may consider calls that are shorter than traditionally offered in the market and/or non-callable debt when warranted by market conditions and opportunities. For each transaction, the Authority will evaluate the efficiency of call provision alternatives.

8. FINANCING - ROLES AND RESPONSIBILITIES

The primary responsibility for developing debt financing recommendations or refundings shall typically be managed by the Executive Director. In developing recommendations, the Executive Director shall consider the need for debt financing and assess progress on the current status of planning and/or construction of facilities, as defined in the JPA Agreement, specifically in its Exhibit B. All proposed debt financings will be presented to the Board, which has sole authority to approve the issuance of debt.

i. Bond Counsel

Where the Executive Director deems it prudent, the Authority will retain external bond counsel for a debt issue. Bond counsel will prepare the necessary authorizing resolutions, agreements and other documents necessary to execute the financing. All debt issued by the Authority will include a written opinion by bond counsel affirming that the Authority is authorized to issue the debt, stating that the Authority has met all state and federal constitutional and statutory requirements necessary for issuance, and determining the debt's state and federal income tax status.

ii. Financial Advisors

The Authority will utilize the services of independent financial advisors when deemed prudent by the Executive Director. To avoid any conflict of interest, financial advisors cannot also underwrite Authority debt. Services and compensation caps shall be defined by contract. The primary responsibilities of the financial advisors are to advise and assist on bond document negotiations, transaction structuring, including advising on call provision options and timing of issuance, running debt service cash flow analyses, assistance in obtaining ratings on the proposed issuance, and generally acting as an independent financial consultant and economic market expert.

iii. Underwriters

For negotiated sales, the Authority will generally select or pre-qualify underwriters through a competitive process. This process may include a request for proposal or qualifications to firms considered appropriate for the underwriting of a particular issue or type of bonds. The Executive Director will determine the appropriate

method to evaluate the underwriter submittals and then select or qualify firms on that basis.

iv. Disclosure Counsel

Where applicable, the Authority will engage Disclosure Counsel to ensure that all disclosure requirements are identified and complied with in a timely manner.

9. DEBT ADMINISTRATION

i. Pre- and Post-Issuance Compliance

In addition to complying with the terms of this Policy, the Authority shall comply with any other applicable policies, including Procedures for Post-Issuance Compliance which will be adopted regarding initial bond disclosure, continuing disclosure, post-issuance compliance, investment of bond proceeds, and bond covenants. The Authority will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings under SEC Rule 15c2-12;
- Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance and required expenditure timelines, related to any prior bond issues;
- Investment policies as they relate to the investment of bond or other debt issuance proceeds;
- Insurance requirements, and
- All rate and other bond or debt instrument covenants.

ii. Internal Control

- A. Investment of Proceeds - The proceeds of any debt issuance will be invested until used for the intended project(s) in order to maximize utilization of the public funds. The investments will be made to obtain the highest level of 1) safety, 2) liquidity, and 3) yield, and may be held as cash. The Authority's investment guidelines and bond indenture or other debt instrument will govern objectives and criteria for investment of bond proceeds. The Executive Director will oversee the investment of bond proceeds in a manner to avoid, if possible, and minimize any potential negative arbitrage over the life of the bond issuance or other debt, while complying with arbitrage and tax provisions.
- B. Use of Debt Issuance Proceeds – Debt issuance proceeds will be deposited and recorded in separate accounts to ensure funds are not comingled with other Authority funds. Where applicable, the Authority's Trustee, or other appointed administrator (as determined under the debt instrument) will administer the disbursement of such proceeds pursuant to each certain

Indenture of Trust or Fiscal Agent Agreement, respectively, or other debt instrument. Requisition for the disbursement of debt issuance funds will be prepared and approved by the Executive Director.

Finance staff will be tasked with monitoring the expenditure of debt issuance proceeds to ensure they are used only for the purpose and authority for which the debt instrument was issued and exercising best efforts to spend those proceeds in such a manner that the Authority will meet one of the spend-down exemptions from arbitrage rebate.

- C. Reporting – At least quarterly, Authority staff shall prepare and present to the Board for review, reports on the use of debt proceeds.

10. BOARD DISCRETION

This policy was drafted with the intent to serve as a guide and it in no way restricts the ability of the Authority to review proposed debt issuances or other actions of substance to the Authority. The Board maintains authorization to waive elements of the policy in connection with individual financings at its discretion.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 13th day of April, 2022, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

ITEM 3.1: JPA BOARD IN-PERSON MEETINGS

RESPONSIBLE/LEAD STAFF MEMBER:

Marguerite Patil, Interim Administrator & James Ciampa, Interim General Counsel

DISCUSSION:

As the Omicron variant of COVID-19 has subsided and COVID-19 cases overall continue to decline, the Board will need to determine in coming months how and where it desires to conduct its meetings. The Board started that discussion at the March 9 Board of Directors' meeting and directed the Interim General Counsel to further research the remote meeting issues and develop alternative meeting scenarios. Interim General Counsel's memorandum on those issues is attached.

ALTERNATIVES:

Open to Board discussion and discretion.

FISCAL ANALYSIS:

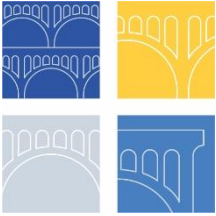
Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Memorandum regarding Board meeting alternatives



MEMORANDUM

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

From: James Ciampa

Re: Board Meeting Issues – Remote Meetings

Date: April 7, 2022

As the number of COVID-19 cases continues to decline, the State is beginning to take steps to return to pre-COVID conditions. The Authority, as a local agency subject to the Brown Act, will need to consider how to conduct its Board of Directors’ and committee meetings as the COVID-19 conditions continue to improve, which will make it more difficult for the Board to make the necessary findings to continue operating under AB 361, as discussed below.

PRE-COVID-19: Before COVID-19, the Brown Act’s teleconference requirements included: (i) posting agendas at each teleconference location (i.e., each location from where a director was calling in); (ii) each teleconference location needed to be identified in the agenda; (iii) each teleconference location needed to be accessible to the public; and (iv) during the teleconference, at least a quorum of the members of the legislative body must participate “from locations within the boundaries of the territory over which the local agency exercises jurisdiction.”

COVID-19 CHANGES: In light of COVID-19, Governor Newsom initially issued an Executive Order to suspend the above-referenced teleconferencing requirements. The Legislature then passed AB 361 last fall, to take effect on October 1, 2021, to provide exceptions to the above-referenced requirements. For a local agency to proceed under AB 361, it must make one of the following two findings when its board adopts the continuing AB 361 resolution:

(A) The local agency is holding a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; **or**

(B) The local agency is holding a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

When state or local health authorities withdraw their recommendations for social distancing and if the Board is also not able to adopt a finding that meeting in person would present an imminent risk to the health or safety of attendees, then the Authority would not be able to rely upon AB 361 to avoid compliance with the Brown Act's teleconference requirements stated above, even if the proclaimed state of emergency remains in place. In addition, if Governor Newsom terminates the proclaimed state of emergency, then the Authority similarly would not be able to rely upon AB 361.

POSSIBLE FUTURE ALTERNATIVES: Thus, when the Board is not able to make one of the necessary findings or if Governor Newsom withdraws the proclaimed state of emergency, the Board will need to consider its options for how to proceed with its meetings. Following are the available options:

1. Return to Full In-Person Meetings. The Board could conduct its meetings fully in-person and not provide any teleconferencing or remote options. That is the simplest course of action from a technological and agenda standpoint but would involve all directors traveling to an agreed upon location where the meeting would occur. Given the distant locations of the Member agencies, such an in-person meeting could prove challenging for some directors, depending upon the meeting location that is selected. In addition, in-person meetings may be difficult for members of the public who desire to attend in person. Lastly, there would be increased greenhouse gas emissions resulting from the commutes to the in-person meeting location from many of the directors and staff driving to the meeting.
2. Conduct Hybrid Meetings. The Authority could conduct meetings at a location that is in close proximity to some of the directors, who could attend in-person, and then other directors could avoid travel by calling in by telephone or by video conference. The locations of all directors who call in or participate by video conference would need to be disclosed in the agenda, the agenda would need to be posted at all of those locations and each of those locations would need to be accessible to the public. Also, at least a quorum of directors must participate from locations within the Authority's territory, which likely will not be a problem given the Authority's broad, multi-county jurisdiction.

Such hybrid meetings would present a technological challenge, as the in-person meeting location needs to be set up with suitable cameras and computer connectivity. Also, there could be significant costs involved in setting up a suitable process by which to webcast the meetings. Those issues would be important in selecting the in-person meeting site.

3. Continue with Fully Virtual Meetings. As the Brown Act does not require at least a quorum to participate in-person, but instead only requires that such a quorum participate from locations within the Authority's boundaries, the Authority could continue with fully virtual meetings. In that situation, the above-referenced requirements with respect to agenda posting and public accessibility must be complied with. However, such fully virtual meetings, in the manner we have been conducting, are feasible under the Brown Act, so long as the stated teleconferencing requirements are met.

There are several bills pending in the Legislature that could revise the Brown Act's teleconferencing, including AB 2449, which in its current form would require at least a quorum of a board to participate in-person if other directors will participate by teleconference or video conference. Thus, if such legislation becomes law, it could impact the Authority's meetings in the future.

ITEM 3.2: WIFIA FUNDING APPROACH

RESPONSIBLE/LEAD STAFF MEMBER:

Marguerite Patil, Interim Administrator

DISCUSSION:

The Water Infrastructure Finance and Innovation Act (“WIFIA”) was enacted by Congress to accelerate investment in water infrastructure projects by providing long-term, low-cost supplemental loans for regionally and nationally significant projects. The WIFIA program is administered by the U.S. Environmental Protection Agency (“USEPA”). WIFIA allows for a single interest rate to be used, which is tied to the U.S. Treasury rate for a similar maturity (currently, that rate for a 30-year loan would be 2.60%). That rate would be applied even if draws from the loan are deferred. The maximum loan term is 35 years.

David Moore of Clean Energy Capital, the financial consultant who has been working with the Local Agency Partners on the Phase 2 Los Vaqueros Reservoir Expansion Project for the past several years, will review the WIFIA funding process and proposed next steps in more detail at the Board of Directors’ meeting.

ALTERNATIVES:

For information only; no alternatives applicable.

FISCAL ANALYSIS:

Fiscal impact will vary based upon loan amount and interest rate that will apply.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

PowerPoint Presentation on WIFIA Funding process



**Los Vaqueros Reservoir
Joint Powers Authority
Regular Board Meeting
Agenda Item 3.2
April 13, 2022**

WIFIA Background

- **The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established the WIFIA program, a federal credit program administered by the U.S. Environmental Protection Agency (EPA) for eligible water and wastewater infrastructure projects.**
- **Funding for loans are annually appropriated in the federal budget.**

WIFIA Program Features

- **The maximum portion of eligible project costs that WIFIA can fund is 49%. Total federal assistance may not exceed 80 percent.**
- **The maximum final maturity date is 35 years from substantial completion.**
- **The loan interest rate will equal the long-term U.S. Treasury rate plus 1 basis point. The interest rate is established at loan closing and stays locked in throughout the construction period.**
- **Loan proceeds may be drawn down as-needed throughout construction, reducing capitalized interest versus traditional bond funding.**



WIFIA Program Features (cont.)

- **Repayment terms are flexible and can be “back-ended” if desired by the borrower.**
- **Projects must be creditworthy (i.e., investment-grade) and have a dedicated source of revenue. There is no distinction in pricing between AAA, AA, A, and BBB credits.**
- **NEPA, Davis-Bacon, American Iron and Steel, and all other federal cross-cutter provisions apply.**
- **Cost/benefit analysis will be performed prior to the application stage, if LVE is selected and the JPA is invited to apply.**



WIFIA Application Process

Phase 1 – Project Selection

- **Requires submittal of a Letter of Interest (LOI) in response to EPA’s Notice of Funding Availability (NOFA).**
- **EPA scores the project; if selected JPA would be invited to submit a loan application.**

Phase 2 – Project Review, Negotiation and Closing

- **Begins with a loan application from the JPA.**
- **Includes technical and environmental review, term sheet and loan agreement development, and confirmation of creditworthiness.**

WIFIA Application Fees

- **Application fee is \$100k and is due at the beginning of Phase 2.**
- **Application fee is non-refundable.**
- **In addition to the application fee, the EPA will require the JPA to reimburse its out-of-pocket expenses during Phase 2 for legal counsel, a consulting engineer, and a financial advisor.**





WIFIA Application Schedule



- **The timing for the 2022 NOFA has not been announced and depends on Congressional action.**
- **The EPA anticipates issuing the NOFA in Spring 2022.**

JPA Credit Rating

LOI Submittal

- **The JPA will not have credit ratings in place at time of LOI submission in Spring 2022. This is permitted by the EPA.**
- **We will instead describe the general “credit” terms of the Service Agreements.**

Loan Closing

- **The JPA must have two final ratings at the time of loan closing. Final rating opinions will require executed Service Agreements.**





JPA Credit Rating (cont.)

Application

- **The JPA will need to provide one “Indicative” credit rating at time of Application.**
- **The Indicative credit rating(s) will not require executed Service Agreements.**
- **The rating agencies will base the indicative credit rating on the Project, the underlying credits of the Members in their capacity as off takers, and assumed terms and conditions as specified by the JPA for the Service Agreements.**

Potential Loan Scenarios

- **WIFIA funding percentage and total federal funding are likely to be within statutory limits of 49% and 80%.**
- **Larger WIFIA Loan could be pursued to account for inflation and lower level of Federal appropriations under the WIIN Act and/or Bipartisan Infrastructure Law (BIL).**

Funding Source	Funding (2018 \$million)	% Total
California WSIP	477	53%
Federal WIIN Act/BIL	223	25%
Federal WIFIA Loan	195	22%
Total	895	



Proposed Schedule

LOI Stage	Tentative Date
Finance Committee Meeting	March 31, 2022
Board Approval of LOI submittal	May 11, 2022
EPA announces NOFA 2022 and invites LOIs	May 2022
Final review/approval/submission of LOI to EPA	June 2022
Notification of Project Selection by EPA	Oct 2022

Application Stage (if selected) (Schedule consistent with current Major Policy Calendar)	Tentative Date
Engage rating agency(s) for Indicative Rating	Oct – Nov 2022
Service Agreements – Compilation & Refinement	Sep – Dec 2022
Receive Indicative Rating(s)	Feb 2023
Submit WIFIA Application	Mar 2023
Member Agency approval of Service Agreements	Mar – April 2023
WIFIA Term Sheet and Loan Agreement	Sep 2023
WIFIA Approval and Closing	Dec 2023
First WIFIA Drawdown	Jan 2024



ITEM 3.3: REVIEW OF BOARD POLICY AND ACTION CALENDAR

RESPONSIBLE/LEAD STAFF MEMBER:

Marguerite Patil, Interim Administrator

DISCUSSION:

The updated Board Policy and Action Calendar is provided for the Board's information. The Calendar is presented in outline form including Authority Board meeting items by month for the next six months. In addition, the overview graphic is included, organized by functional area to show potential discussion and action items for Authority Board and Committee meetings for 2022 and early 2023.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

6-Month Calendar and Outline of Board Policies and Actions

Overview Graphic of 2022 Draft Major Policy Calendar

**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
6-MONTH CALENDAR AND OUTLINE OF BOARD POLICIES AND ACTIONS**

April 2022

Government Claims Policy [Action Item]
CEQA Guidelines Implementation [Action Item]
Investment Policy [Action Item]
Debt Management Policy [Action Item]
JPA Board In-Person Meetings [Discussion Item]
WIFIA Funding [Discussion Item]
Executive Director Recruitment [Interim
Administrator Report]
Draft Records Retention Schedule and Policy
[referred to Communications & Outreach
Committee]
Draft Social Media Policy [referred to
Communications & Outreach Committee]
Reserve Policy [referred to Finance Committee]


May 2022

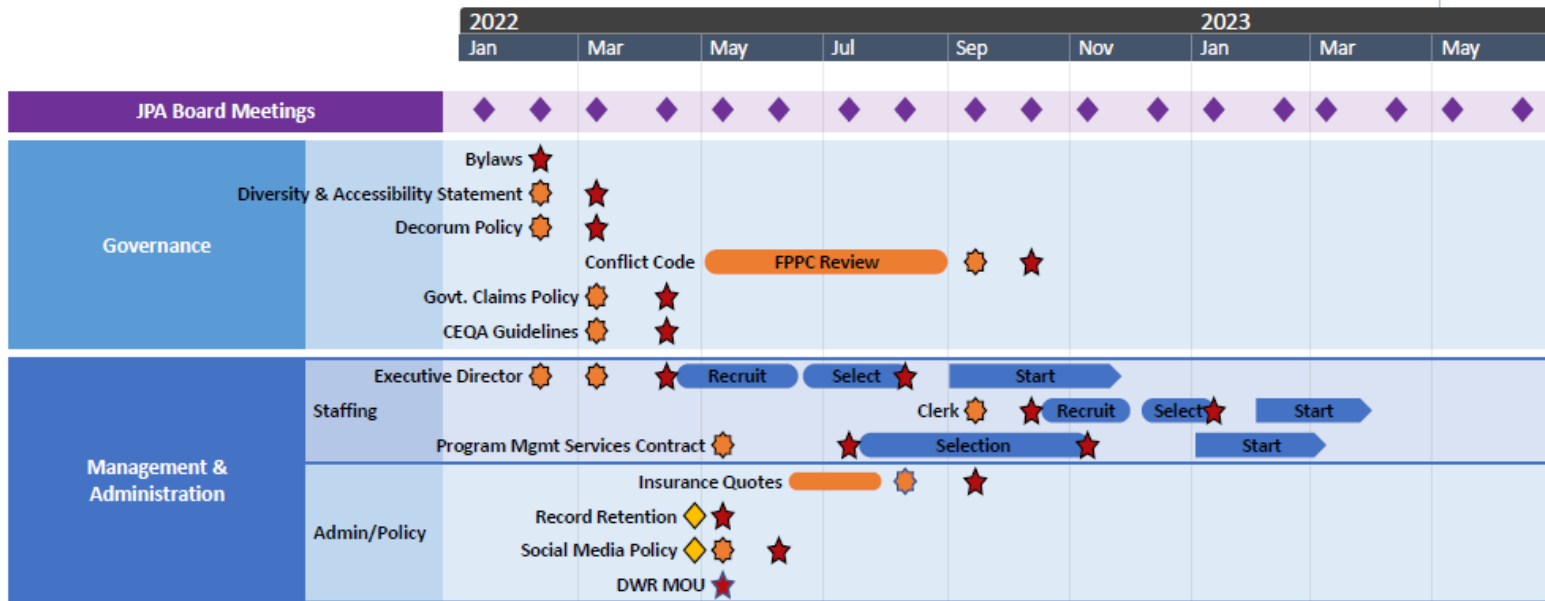
WIFIA Funding [Action Item]
DWR MOU [Action Item]
Records Retention Schedule and Policy [Action
Item]
Reserve Policy [Discussion Item]
Social Media Policy [Discussion Item]
Program Management Services Approach
[Discussion Item]
Draft FY23 Budget [Discussion Item]

June 2022	Final FY23 Budget [Action Item]
	Reserve Policy [Action Item]
	Social Media Policy [Action Item]
July 2022	Program Management Services Contract Request for Proposals [Action Item]
August 2022	Executive Director Selection [Action Item]
	Draft Interim Funding Agreement [Discussion Item]
	Service Agreement Approach [Discussion Item]
	Bank Services [Discussion Item]
	Liability and Errors and Omissions Insurance [Discussion Item]
	Draft CCWD Design and Construction Agreement [Discussion Item]
September 2022	Interim Funding Agreement [Action Item]
	Liability and Errors and Omissions Insurance [Discussion Item]
	Bank Services [Action Item]
	CCWD Design and Construction Agreement [Action Item]
	Board Clerk Recruitment [Discussion Item]
	Plan of Finance [Discussion Item]
	Conflict of Interest Code [Discussion Item]

Los Vaqueros Reservoir Joint Powers Authority Draft 2022 Major Policy Calendar


Dates Subject to Change

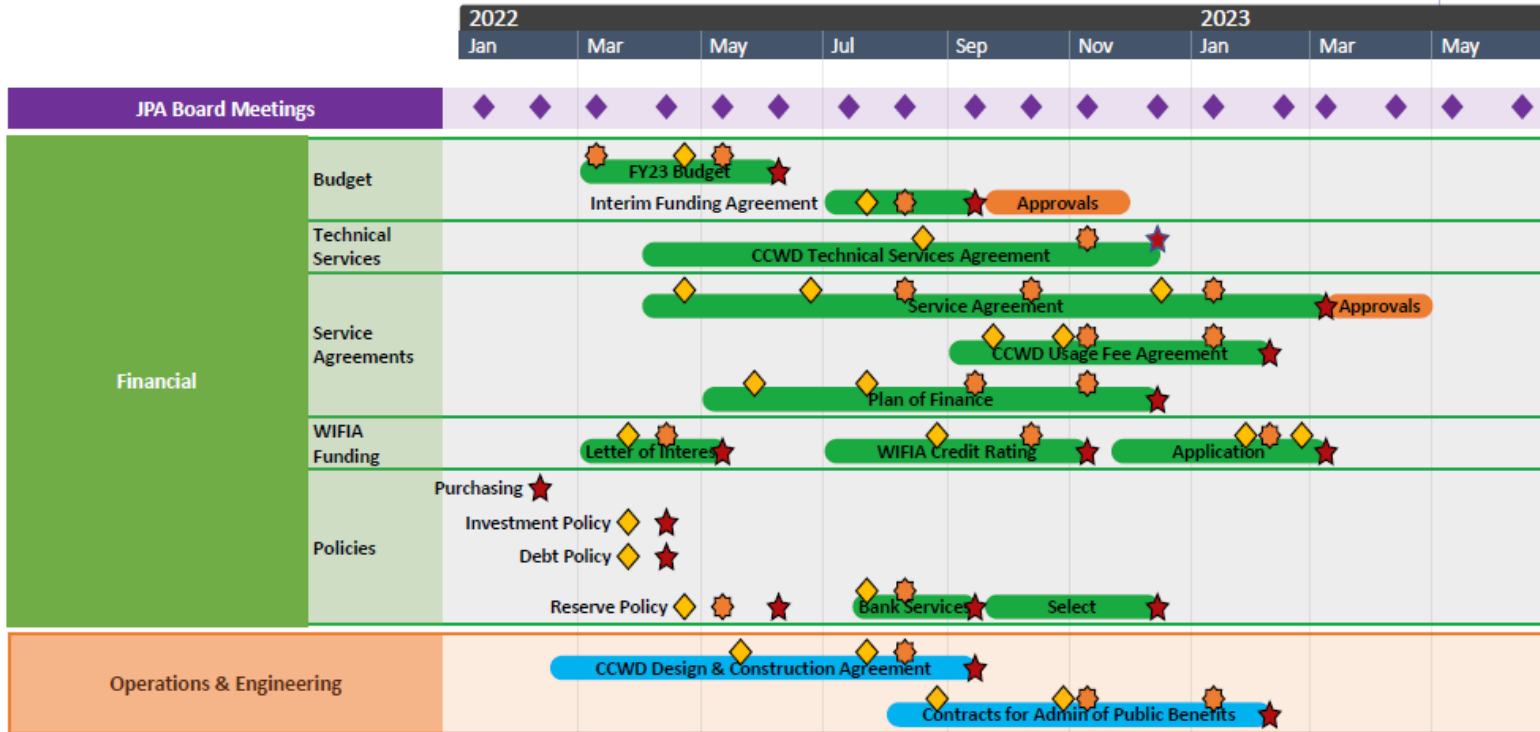
 CWC Award Hearing



Los Vaqueros Reservoir Joint Powers Authority Draft 2022 Major Policy Calendar

Dates Subject to Change

 CWC Award Hearing



Future Agreements to Develop (Schedules TBD)

EBMUD Usage Fee Agreement, EBMUD Design & Construction Agreement, Conveyance Agreement(s) (e.g., SBA), O&M Agreements, CCWD Backstop Agreement



TREASURER MONTHLY REPORT

MULTI-PARTY AGREEMENT STATUS

Amendment No. 3 to the Multi-party Cost Share Agreement (MPA) was executed on November 1, 2021 and the first invoice of \$448,560 per agency was sent out in January 2022.

APRIL 6, 2022

Upcoming Activities

April 13 at 9:30 a.m. – JPA Board Meeting via Zoom

April 22 at 1:00 p.m. – Finance workshop on LVE cost and funding allocation methodology via Teams (with LAP Staff and Clean Energy Capital)

April 28 – Finance Committee Meeting:

1. FY23 Budget Overview
2. Service Agreement Approach
3. Draft Reserve Policy

Finance Committee Members:

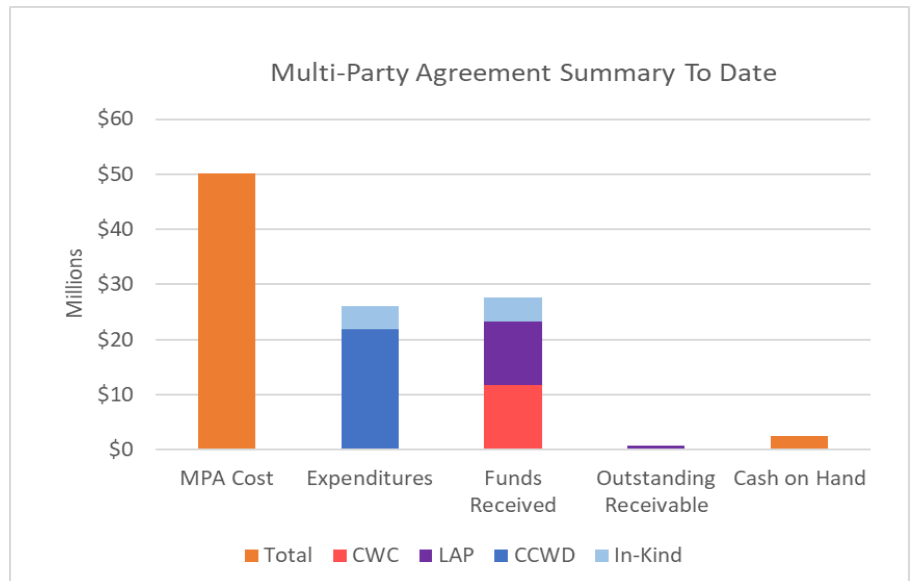
Chair: Anthea Hansen, SLDMWA

Vice-Chair: Paul Sethy, ACWD

John Coleman, EBMUD

Linda LeZotte, SCVWD

The following chart provides an overview of the MPA expenditures through March 29, 2022. The in-kind services, funds received, outstanding receivable, and cash on hand are shown through March 29, 2022. All LAPs remain in good standing on progress payments and the Project cash on hand remains positive.



MPA Summary to Date:

MPA Cost: \$50,187,865 (total through Amendment No. 3)

Expenditures:

CCWD: \$21,831,446 (includes consultants and legal services)

LAP: \$4,257,988 (in-kind services)

Total: \$26,089,434

Funds Received:

CWC: \$11,697,644

LAP: \$11,606,362 (cash contributions)

LAP: \$4,257,988 (in-kind services)

Total: \$27,561,994

Outstanding Receivable:

CWC: \$956,348

LAP: \$448,560

Cash on Hand: \$2,536,472

FEDERAL FUNDING STATUS

The FY22 Continuing Resolution that went into effect September 30, 2021 included \$50 million in Federal funding for the Project. This is in addition to the \$14 million that was appropriated in FY21. A funding agreement with Reclamation for the FY21 cost share provided to the LAPs (50 percent or approximately \$7 million) is currently routing for signature and the initial invoice is being prepared.

Future Federal funding requests include the remainder of the maximum federal share of 25 percent of the total project cost (approximately \$160 million). Some portion of the federal funding share may be available in the Bipartisan Infrastructure Law (the Infrastructure Investment and Jobs Act that was signed on November 15, 2021).

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 through December 31, 2022. An amendment is being developed to extend the agreement through December 31, 2023 and include additional funds that can be approved as a result of the inflation adjustments.

Early Funding Agreement Summary to Date:

Total Budget:	\$45,900,000
Total Program Funding:	\$22,950,000 (50 percent cost share)
Total Billed To Date:	\$26,237,729 (57% spent to date)
Total Amount Remaining:	\$19,662,271
Total Retention To Date:	\$441,684
Outstanding Invoices:	\$514,664