



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
AGENDA**

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

To be held at:
ZONE 7 WATER AGENCY
100 North Canyons Parkway
Livermore, CA 94551
Call-In Number: (888) 363-4734, Access Code 9187242

Consistent with local requirements, all persons attending this meeting must wear a mask, without regard to their vaccination status. If you have a fever or other symptoms of COVID-19, please do not enter the building, and instead submit any comments as set forth below.

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

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ALTERNATE DIRECTORS

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

PUBLIC COMMENT ON NON-AGENDA ITEMS

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

CONSENT CALENDAR

- 1.1 Approval of Minutes from February 8, 2023 Board of Directors Meeting**
- 1.2 Treasurer’s Report – Month Ended January 31, 2023**

ACTION ITEMS

- 2.1 Approval of Conflict of Interest Code**
- 2.2 May Board Meeting Rescheduling**

DISCUSSION ITEMS

3.1 Overview of Current Financial Processes and Procedures

3.2 Auditor and Accounting Requests for Proposals

FUTURE AGENDA ITEMS

REPORTS

4.1 Directors

4.2 Executive Director

4.3 General Counsel

4.4 Board Policy and Action Calendar

4.5 Committee Meeting Summaries

ADJOURNMENT

CONSENT CALENDAR

ITEM 1.1: APPROVAL OF MINUTES FROM FEBRUARY 8, 2023 BOARD OF DIRECTORS MEETING

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

RECOMMENDATION:

That the Authority's Board of Directors approve the attached minutes from the February 8, 2023 Board of Directors meeting.

DISCUSSION:

The Clerk, General Counsel and Executive Director have prepared the attached draft minutes from the February 8, 2023 Board of Directors meeting.

ALTERNATIVES:

Any suggested revisions to the draft February 8, 2023 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft minutes from February 8, 2023 Board of Directors meeting.



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
MINUTES**

Regular Meeting of the Board of Directors
Held at: **ZONE 7 WATER AGENCY**
100 North Canyons Parkway, Livermore, CA 94551
February 8, 2023 – 9:30 a.m.

Chair Angela Ramirez Holmes called the meeting order at 9:37 a.m.

PLEDGE OF ALLEGIANCE – led by Chair Angela Ramirez Holmes

ROLL CALL OF DIRECTORS

Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District – Participated Telephonically
Rebecca Eisenberg, Director, Santa Clara Valley Water District (arrived at 9:55 a.m.)
TBD, Director – Ex Officio - Department of Water Resources

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District
Antonio Martinez, Alternate Director, Contra Costa Water District
*Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
*Richard Santos, Alternate, Santa Clara Valley Water District (participated until Director Eisenberg arrived)
Sandy Figuers, Alternate Director, Zone 7 Water Agency
*Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority -- Participated Telephonically
TBD, Alternate Director – Ex Officio, Department of Water Resources
*Alternate Director who replaced absent Director from his member agency

ABSENT

Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Dennis Herrera, Director, San Francisco Public Utilities Commission

Ricardo Ortega, Alternate Director, Grassland Water District
Lesla McIntosh, Alternate Director, East Bay Municipal Utility District

OTHERS PRESENT

Taryn Ravazzini, Executive Director
James Ciampa, Lagerlof, LLP, General Counsel
Rosemarie Perea, Board Clerk (by telephone)
David Moore, Clean Energy Capital (by telephone)
Numerous others were present in person and by telephone

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

CONSENT CALENDAR

The Consent Calendar consisted of the following items:

- 1.3 Consider Adoption of Resolution No. 2-23-01 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 February 3, 2023 to February 28, 2023 Pursuant to Brown Act Provisions**
- 1.4 Approval of Minutes from January 11, 2023, Board of Directors Meeting**
- 1.5 Treasurer’s Report – Month Ended December 31, 2022**
- 1.6 Update to Public Records Act Guidelines**

Upon motion by Treasurer Sethy, seconded by Secretary Wehr, the Consent Calendar consisting of Items 1.1, 1.2, 1.3 and 1.4, was approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Richard Santos, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

ACTION ITEMS

2.1 2023 Communications Goals and Priorities

A draft of the Communications Goals and Priorities, which had been reviewed and revised by the Communications and Outreach Committee at its January 25, 2023 meeting, was presented by Taryn Ravazzini, Executive Director. Those goals and priorities will inform the development of the Authority's annual Communications and Outreach Plan.

After discussion, upon motion by Alternate Director Ritchie, seconded by Treasurer Sethy, the 2023 Communications Goals and Priorities, with the addition of "project approvals" under Priority 2, were approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Richard Santos, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

2.2 Conflict with May Regular Board of Directors' Meeting

Executive Director Ravazzini noted the May Regular Board meeting is scheduled for May 10, 2023 and falls on the first day of the ACWA Spring Conference in Monterey. This conference is well attended by Authority Board members, and the May 10 Board meeting would present a scheduling conflict for many Directors and Alternate Directors. With that being the case, staff asked for direction with respect to the possible rescheduling of the May Board meeting to an alternate date, either through discussion at this meeting or through a subsequent scheduling poll.

After discussion, a motion to reschedule the May Regular Board meeting and directing staff to conduct a poll of board members to determine a mutually convenient date was made by Treasurer Sethy, seconded by Alternate Director Ritchie, and approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Richard Santos, Alternate Director, Santa Clara Valley Water District

NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote.

DISCUSSION ITEMS

3.1 Program Management Request for Proposals

Executive Director Ravazzini gave a presentation regarding the Program Management Request for Proposals. She stated with the work on the Service Agreement and other agreements now moving forward, it is important that the Authority proceed with the engagement of the Program Manager through a competitive proposal process. Ms. Ravazzini's presentation gave an overview of the Program Manager position and reviewed the proposed scope of work, proposed selection criteria, proposed schedule and proposed selection process, which involved a team of staff from various Authority members. She then asked for Board input on those proposed components of the Request for Proposals process.

With respect to the proposed selection criteria, Director Avila and Alternate Director Ritchie suggested increasing the weight to be given to "Specialized Experience and Capabilities" from 5% to 15% and reducing the percentages of "Firm Qualifications and Program Team" and "Approach to Work" accordingly. Director Avila also suggested decreasing the weight of the "Presentation" to 20% and increasing the "Questions and Answers" to 30%. Director Eisenberg suggested increasing the "Firm Qualifications and Program Team" to 50% and decreasing the "Presentation" factor.

Alternate Director Ritchie inquired about outreach to consultants and also inquired whether the Executive Director would still act as the Authority's spokesperson after the Program Manager is retained. Executive Director Ravazzini responded that outreach to consultants has been occurring over many months and that she intended to continue to be the Authority's spokesperson. Director Eisenberg stated it is important for the Authority to reach out to underrepresented communities and minority and women-owned firms in the solicitation process.

Directors Sethy and Eisenberg and Alternate Director Figuers then raised concerns regarding potential conflicts of interest with the consultants, particularly with respect to any former employee of an Authority member full disclosure of any conflict of interest and full transparency is necessary. They emphasized the need for any proposing entity to fully disclose any potential or perceived conflict of interest.

The Executive Director will take into consideration the issues raised as proceeds in working on and completing the Request for Proposals.

3.2 Future Board Actions for Bridge Financing Approach

Executive Director Ravazzini introduced the Authority's financial consultant, David Moore of Clean Energy Capital, who made a presentation on contemplated bridge financing. That issue was raised in prior committee and Board meetings and was the subject of the January 31, 2023 Joint Finance Committee and Operations and Engineering Committee meeting. The primary

concept relates to securing outside debt financing to cover short-term intervals between the time Project expenses are incurred and when grant or WIFIA loan funds are received.

Mr. Moore stated the Joint Committee meeting resulted in a consensus to proceed with bridge financing after the Service Agreement is in place to cover Project costs until grant or loan monies are received. The Board concurred with that approach.

3.3 State Legislature Outreach and Advocacy Planning

Executive Director then reviewed the tentative plan for the Authority to conduct a group visit to Sacramento on March 22, 2023 to meet with pertinent legislators. Ms. Ravazzini reviewed the materials included in the meeting packet, including the delegation lists and maps of the legislators serving the Authority's service area and fact sheets from the September 2022 Washington, D.C. trip, which will be updated.

Chair Angela Ramirez Holmes thanked Grassland Water District for the assistance its lobbyist, Mark Smith of Smith Policy Group, LLC, has provided in the early planning stages of this effort. Directors Avila and Eisenberg signaled their interest in participating in this trip.

3.4 Authority Open House at ACWA Spring Conference

Executive Director Ravazzini noted the Association of California Water Agencies will hold its Spring Conference in Monterey, California from May 9 through May 11, 2023. Ms. Ravazzini stated some Authority members have expressed an interest in having the Authority host an open house at this conference to offer information on the Project and the Authority. The Board was supportive of that event as a way to build relationships.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 – Directors

Chair Angela Ramirez Holmes advised that the members of the Ad Hoc Committee for Review of the Contra Costa Water District Design, Guidelines and Principles are: Secretary Ellen Wehr, Alternate Director Steve Ritchie and Alternate Director Sandy Figuers. Members of the various committees were re-appointed without change for the coming year, with Director Eisenberg being appointed to the Finance Committee to take the position previously held by Alternate Director Linda LeZotte.

Secretary Ellen Wehr advised that she attended the Mid-Pacific Users Water Users' Conference which took place in Reno, Nevada from January 25 through January 27, 2023 and complimented the Executive Director on a great job of representing the Authority at the conference, as well as CCWD's staff for their support of the Authority.

4.2 - Executive Director

Executive Director Ravazzini advised she will be providing a written report to the Board each month. She stated she is making an effort to meet in person with member agencies as frequently as feasible. Included in her written report is a list of monthly Authority contracts entered into as well as the response letter from the U.S. Bureau of Reclamation to the California Congressional Delegation regarding the delegation's prior letter Supporting Phase 2 of the LVR Expansion Project.

Director Sethy asked for clarification on the contract entered into with Natural Resource Results for federal lobbying services. Executive Director Ravazzini advised this is a short-term contract for needed federal strategy support and to assist with establishing a strategic plan for federal lobbying activities. The contract is in the amount of \$12,500.00 per month, for four months, with a price reduction for the early termination in the fourth month. Secretary Wehr commended staff on the selection of Natural Resource Results and feels they will be a positive addition. Director Avila asked for legal counsel's signature block to be added to all Authority agreements indicating his evaluation and approval of the agreement as to form.

4.3 - General Counsel

General Counsel James Ciampa stated he will ensure the signature block Director Avila requested is added to all future Authority contracts he reviews. The Legal Work Group will meet on February 14 to discuss the Service Agreement process and other Project-related agreements. He has filed the required Registry of Public Agencies update with the California Secretary of State to reflect the renewal of officers and new members on the Board. He will further review the Brown Act regarding teleconference requirements and will update the Brown Act meeting guidelines as necessary and appropriate to address the issue of directors participating by teleconference if their names and locations are not listed on the meeting agenda.

4.4 - Board Policy and Action Calendar

Chair Ramirez Holmes stated the updated Board Policy and Action Calendar was included in the meeting materials for the Board's information.

The meeting was adjourned at 11:32 a.m.

ATTEST:

Angela Ramirez Holmes, Chair

Ellen Wehr, Secretary

ITEM 1.3: TREASURER’S REPORT – MONTH ENDED JANUARY 31, 2023

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Staff has prepared the Treasurer’s Report for January 2023. This report was reviewed by the Finance Committee at its February 23 meeting.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Treasurer’s Report for Month Ended January 31, 2023



TREASURER’S MONTHLY REPORT

MULTI-PARTY AGREEMENT STATUS

Amendment No. 4 to the Multi-party Cost Share Agreement (MPA) was fully executed and an invoice for \$1,094,00 per agency was sent out in January 2023.

MARCH 8, 2023

UPCOMING ACTIVITIES

February/March (various) – Finance workgroup and subgroup meetings (Draft Term Sheet and Service Agreement Development)

February 23 at 1:00 p.m. – Finance Committee Meeting via Zoom

March 23 at 1:00 p.m. – Finance Committee Meeting via Zoom

Finance Committee Members:

Chair: Anthea Hansen, SLDMWA

Vice-Chair: Paul Sethy, ACWD

Rebecca Eisenberg, SCVWD

ACRONYM KEY

ACWD – Alameda County Water District

CCWD – Contra Costa Water District

CWC – California Water Commission

EBMUD – East Bay Municipal Utility District

LAP – Local Agency Partners

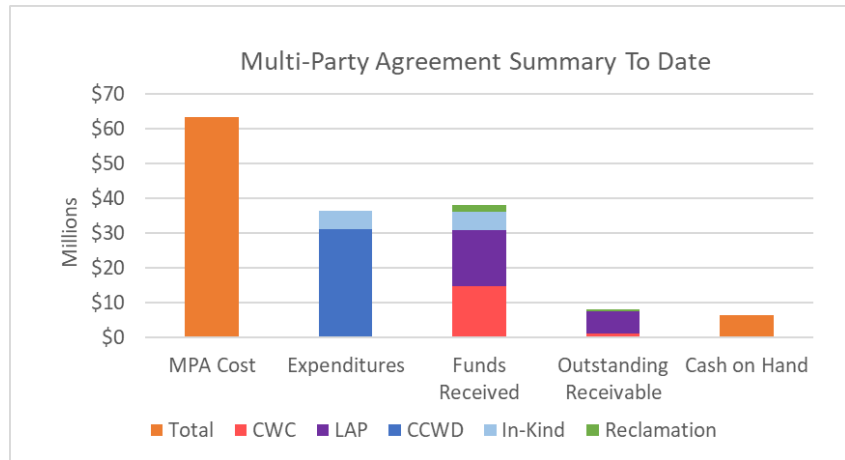
MPA – Multi-party Cost Share Agreement

SCVWD – Santa Clara Valley Water District (Valley Water)

SLDMWA – San Luis & Delta-Mendota Water Authority

WIFIA LOI – Water Infrastructure Finance and Innovation Act Letter of Interest

The following chart provides an overview of the MPA expenditures through January 31, 2023 in addition to in-kind services, funds received, outstanding receivable, and cash on hand. All LAPs remain in good standing and the Project cash on hand remains positive.



MPA Summary to Date:

MPA Cost: \$63,437,864 (total through Amendment No. 4)

Expenditures:

CCWD: \$31,242,532 (includes consultants and legal services)

LAP: \$5,139,675 (in-kind services)

Total: \$36,382,208

Funds Received:

CWC: \$14,648,708

Reclamation: \$2,022,209

LAP: \$16,288,842 (cash contributions)

LAP: \$5,139,675 (in-kind services)

Total: \$38,099,434

Outstanding Receivable:

CWC: \$1,023,088

Reclamation: \$398,018

LAP: \$6,564,000

Cash on Hand: \$6,282,503

FEDERAL FUNDING STATUS

A total of \$82 million was allocated to the Project in the Bipartisan Infrastructure Law FY22 Spend Plan and Reclamation recommended \$18 million of Water Infrastructure Improvements for the Nation (WIIN) Act to be allocated in FY23. Previous awards of Federal funding during FY21 and FY22 include \$10 million in pre-construction funding and \$54 million in construction funding. CCWD executed an assistance agreement with Reclamation for a total of \$7.2 million in federal funding for permitting, design, and other pre-construction activities and Reclamation has paid the initial invoice and a second invoice has been sent.

Future Federal funding requests include the remainder of the requested federal share of 21 percent of the total project cost (approximately \$49 million).

STATE FUNDING STATUS

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

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

Early Funding Agreement Summary to Date:

| | |
|--------------------------|--------------------------------------|
| Total Budget: | \$47,755,834 |
| Total Program Funding: | \$23,877,917 (50 percent cost share) |
| Total Billed To Date: | \$31,343,592 (66% spent to date) |
| Total Amount Remaining: | \$16,412,242 |
| Total Retention To Date: | \$36,235 |
| Outstanding Invoices: | \$362,345 |

ACTION ITEMS

ITEM 2.1: APPROVAL OF CONFLICT OF INTEREST CODE

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

RECOMMENDATION:

That the Board of Directors approve the final version of the Authority’s Conflict of Interest Code in the form presented.

DISCUSSION:

At the December 14, 2022 Board of Directors meeting, the Board approved the Authority’s draft Conflict of Interest Code. That version of the Code was posted for public comment on the Authority’s website. No public comments were received during the 45-day comment period.

On December 29, 2022, the Fair Political Practices Commission (“FPPC”) responded to our prior e-mail inquiries with several changes regarding the filing process for the Authority’s Forms 700 – Statements of Economic Interest. In addition, the FPPC recommended deleting disclosure category 2 from the Program Manager position. After further discussion, those changes have been incorporated in the attached Code.

ALTERNATIVES:

The Board could defer action on adopting the final version of the Conflict of Interest Code.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Conflict of Interest Code, with revisions incorporated

**CONFLICT OF INTEREST CODE
OF THE
LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Los Vaqueros Reservoir Joint Powers Authority (the "Authority")**.

For the statements of economic interest due April 3, 2023 for calendar year 2022 reporting, all officials and designated positions required to submit a statement of economic interests shall file their statements of economic interests with the **Authority's** Clerk, or their designee, as the **Authority's** Filing Officer/Official. The **Authority's** Clerk, or their designee, shall retain the originals of the statements filed by all officials and designated positions. For years after the 2022 annual filings, all officials and designated positions required to submit a statement of economic interests must file their statements of economic interests electronically with the **Fair Political Practices Commission**. All statements must be made available for public inspection and reproduction under Government Code Section 81008.

APPENDIX
CONFLICT OF INTEREST CODE
OF THE
LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
EXHIBIT “A”

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

The Authority’s officials, including those of its Administrator, Contra Costa Water District, who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to the Authority’s Code, but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)]. These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Members of the Authority’s Board of Directors and Alternates

Administrator

Secretary (if not a Director)

Treasurer (if not a Director)

Investment consultant, if any

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

| Designated Positions Title or Function | Disclosure Categories Assigned |
|--|--------------------------------|
| | |
| | |
| General Counsel for the Authority | 1, 2 |
| Executive Director | 3, 4, 6, 7 |
| Program Manager | 3, 4, 6, 7 |
| | |
| Consultants/New Positions | * |

*Consultants/new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitations:

The Administrator may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus, is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Administrator's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict--interest code. (Government Code Section 81008.)

EXHIBIT B

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which they are assigned.

Category 1: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that are located in, that do business in or own real property within the Authority's jurisdiction.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside of, the Authority's jurisdiction, including any leasehold, beneficial or ownership interest or option to acquire property.

Category 3: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the Authority's jurisdiction.

Category 4: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Authority or its Administrator.

Category 5: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated Position's department, unit or division.

Category 6: All investments and business positions in business entities, and income, including the receipt of loans, gifts and travel payments, from sources that have filed a claim against the Authority or its Administrator during the previous two years, or have a claim pending against the Authority or its Administrator.

Category 7: All investments, business positions and income, including gifts, loans and travel payments, or income from a non-profit organization, if the source is the type to receive grants or other monies from or through the Authority.

ITEM 2.2: MAY BOARD MEETING RESCHEDULING

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

That the Board of Directors approve rescheduling the May regular Board of Directors meeting to Friday, May 19 at 9:30 a.m.

DISCUSSION:

At the February 8 Board of Directors meeting, the Board discussed the need to reschedule the May regular Board of Directors meeting due to the conflict of the May 10 regular meeting date with the ACWA Spring Conference. Staff were directed to poll the directors and alternate directors for mutually available dates to reschedule the meeting.

Unfortunately, the poll did not conclude with any date in which all directors and alternate directors could attend. However, two dates received responses that would allow for attendance by almost all of the directors or their alternates – Monday, May 15 (10:00 a.m.) and Friday, May 19 (9:30 a.m. or 10:00 a.m.). Based on the responses received, staff recommends Friday, May 19 as the date to which the May Board meeting should be rescheduled.

ALTERNATIVES:

The Board could reschedule the meeting to Monday, May 15 at 10:00 a.m. or could cancel the May Board meeting, which is not advised by staff.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

None

DISCUSSION ITEMS

ITEM 3.1: OVERVIEW OF CURRENT FINANCIAL PROCESSES AND PROCEDURES

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Since the formation of the Authority, Contra Costa Water District (“CCWD”) has acted as the Authority’s “bank,” handling all accounting and financial reporting, the receipt and deposit of all Authority monies and the processing of all Authority payments. In the coming months, as the Program Manager and an accounting firm are engaged and commence their respective functions, we contemplate those financial functions will mostly be transferred to the Authority.

These functions, processes and procedures were presented to the Finance Committee at its February 23 meeting. This is important information to allow the Board to understand how CCWD is currently handling the above-referenced financial functions. David Moore of Clean Energy Capital, the Authority’s financial consultant, will provide an overview of those functions, along with discussing how the transition of those functions to the Authority will occur.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Slide deck on financial processes and procedures



Los Vaqueros Reservoir JPA Board Presentation

JPA Financial Administration

March 8, 2023



JPA Financial Administration - Background

- This presentation summarizes the controls in place at the JPA to ensure accountability and maintain compliance with state and federal laws and the requirements of Members
 - Topics for today's discussion will include:
 - The JPA's existing financial administration and policies
 - The JPA's transition plan to independent financial management
 - Financial audit requirements for the JPA

- These materials were presented to the LVR Finance Committee on February 23rd for their consideration and comment
 - The feedback of the Finance Committee members and direction to JPA staff is summarized in the following slides

Cashflow Management and Monitoring

- CCWD currently manages all cashflow for the LVE Project and the JPA
 - LVE Project revenues and expenditures are tracked within CCWD's existing accounting system
 - LVE Project's cash holdings (collected from Members, CWC and Reclamation) are held in standalone bank account
 - CCWD staff prepares invoices and collects revenues for LVE

- CCWD's accounting system for LVE supports preparation of the JPA Treasurer's Report and other LVE Project financial status summaries
 - CCWD follows standard accounting procedures and prepares monthly, quarterly, and annual financial reports
 - Cash balances are closely tracked to maintain positive cash flow in LVE accounts and ensure compliance with JPA Reserve Policy

Financial Transition Plan

- With the support of CCWD, the JPA is moving to transition to independent financial management
 - June 30, 2023 has been established as a target date

- To support this timing objective, JPA staff intend to:
 - Work with CCWD to craft and release and RFP for accounting & financial management services
 - Establish a commercial banking relationship
 - Select the accountant/financial manager
 - Transition the LVE Project account balances to the JPA

Financial Audit Requirements

- JPA's Audit Requirements (From JPA Agreement)
 - In accordance with Sections 6505 through 6505.6 of the Government Code, the Treasurer shall cause an annual audit of the accounts and records of the Authority to be made and reported
 - The audit shall be conducted by an independent certified public accountant or public accountant
 - The audit shall conform to generally accepted auditing standards
 - Such report shall be filed with the State Controller within 12 months of the end of the Fiscal Year under examination

- Currently, CCWD's auditor (Maze & Associates) is responsible for the audit of the LVE Project accounts within the CCWD accounting system

LVR JPA Audit – Direction and Next Steps

■ Finance Committee direction to JPA staff:

- The JPA should engage an independent auditor that does not have CCWD as a client

■ JPA staff response:

- JPA staff will initiate steps to select and engage an independent auditor
- JPA staff will work with CCWD and Maze & Associates (existing CCWD auditor) to meet timing requirements of the FY2022 audit
- Once engaged, the new JPA independent auditor can retroactively review the work performed by Maze & Associates for FY2022
- JPA staff is scheduled to meet with CCWD and Maze & Associates to discuss the scope for an “Agreed -Upon Procedures” engagement for FY2022

ITEM 3.2: AUDITOR AND ACCOUNTING REQUESTS FOR PROPOSALS

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Section 1: Request for Proposal - Auditor

As mentioned in the prior item, the February 23, 2023 Finance Committee meeting included the review of the current financial processes and procedures for Authority funds. That presentation included a discussion of the audits conducted through Contra Costa Water District (“CCWD”) and its auditor, Maze and Associates. Based on concerns expressed to avoid any perceived conflict of interest of the auditor by reviewing the financial statements relating to both CCWD and the Authority, the Finance Committee directed staff to prepare a request for proposals for auditing services for the Authority to cover the 2022 fiscal year and the 2023 fiscal year.

As the audit of CCWD’s financial statements, including its segregated fund for Project and Authority monies, for Fiscal Year 2022 has been completed, the services necessary for that year will be a review of that audit work, known as “agreed upon procedures.” That more limited review is necessary for the Authority to be able to meet the statutory requirement to have its audit completed and filed with the State Controller’s Office within twelve months of the end of the fiscal year being audited; that is, by June 30, 2023 for Fiscal Year 2022.

The requested services for the Fiscal Year 2023 will be a complete audit, but time is of the essence in engaging the auditor so background work can begin.

Section 2: Request for Proposal – Accounting Services

The transition of financial services and administration from CCWD to the Authority requires the hiring of an accounting firm or Certified Public Accountant to handle cashflow in and out of the Authority. The CPA or accounting firm will deal with financial record keeping and will work with the Executive Director overseeing disbursements from the JPA.

The proposed timeline for the release of the RFP and selection of a qualified CPA/accounting firm is as follows:

- March 23 –Finance Committee input on RFP components
- March 31 – Target date for release of RFP
- April 28 – Target Proposal due date
- Mid-Late May – Interviews & selection
- Late May/June – Contract discussions
- June 14 – Board Action for Contract Approval

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

Expenses will be incurred in the Authority's engagement of an auditor and, separately, for accounting services for the 2022-23 and 2023-24 fiscal years. Competitive proposals will be solicited for both services. For an auditor, costs are expected range from \$25,000 to \$40,000 to address both years. For an accountant, costs may range from \$110,000 to \$130,000 a year. Further fiscal analysis will be carried out.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

None

ITEM 4.2: EXECUTIVE DIRECTOR'S REPORT

The following highlights a few key activities which occurred last month. Also included is a list of the Executive Director's contracts executed during February.

Zone 7 Water Agency Board Meeting – The ED was invited by General Manager Valerie Pryor to meet the Zone 7 Board of Directors and provide a brief Project update at the February 15, 2023 Board of Directors meeting. The Board members expressed support for the Project and asked several questions about Project components.

Save Mount Diablo – The ED and staff met with representatives of Save Mount Diablo to discuss Project status and, specifically, the Transfer Bethany Pipeline configuration. This organization's mission is to “forever preserve the remaining natural lands on and around Mount Diablo, and to protect Mount Diablo's connection to its sustaining Diablo Range.” Another meeting is scheduled in March for further discussions.

Request for Proposals Released – The Los Vaqueros Reservoir JPA Request for Proposals (RFP) for Program Management Services was released on Thursday, February 23, 2023. The RFP was posted to the website under Procurement Opportunities:

<https://losvaquerosjpa.com/procurement-opportunities> Proposals are due via email to the Executive Director by 5:00 p.m. Pacific Time on Thursday, March 23, 2023.

JPA State Legislative Day – Efforts to coordinate and schedule the JPA's visit to Sacramento on March 22, 2023, are underway. Working with Mark Smith of Smith Policy Group, the ED met with JPA Member Agency legislative advocates in preparation for scheduling legislative meetings. Meeting requests with the Governor, Administration officials, and the legislators are ongoing. Itinerary details once confirmed will be provided to those Board members and staff planning on attending. As meetings are expected to run throughout the day, Board members may inquire with the ED about suggested hotel accommodations near the Capitol.

Monthly List of JPA Contracts

February 2023

| <u>Contracts</u> | <u>Amount</u> | <u>Purpose</u> |
|---------------------|--------------------------|---|
| Smith Policy Group | Up to \$10,000 | JPA State Legislative Day planning and coordination support |
| | | |
| Total February 2023 | \$10,000 (not to exceed) | |

ITEM 4.4: BOARD POLICY AND ACTION CALENDAR

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

The updated Board Policy and Action Calendar is provided for the Board's information, 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 the next six months.

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 2023 Draft Major Policy Calendar

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

| 6-Month Calendar | |
|--|--|
| Board Activities | Committee Activities |
| <i>March 2023</i> | |
| Final Conflict of Interest Code [Action] Auditor RFP [Discussion] Accounting RFP [Discussion] | Service Agreement Approach [Finance Committee] FY 24 Budget [Finance Committee] Liability and Errors and Omissions Insurance [Finance Committee] Transfer Pipeline Inspection Results [O&E Committee] Draft CCWD Design and Construction Agreement Principles [Ad Hoc Committee] |
| <i>April 2023</i> | |
| DWR-JPA MOU [Action] Liability and Errors and Omissions Insurance [Action] Draft Contracts for Administration of Public Benefits [Discussion] FY 24 Budget [Discussion] Service Agreement Approach [Discussion] | FY 24 Budget [Finance Committee] Multi-Party Agreement Amendment 5 [Finance Committee] EBMUD Facilities Usage Agreement [O&E Committee] Draft CCWD Design and Construction Agreement Principles [Ad Hoc Committee] |
| <i>May 2023</i> | |
| CCWD Design and Construction Principles [Action] Program Management Agreement [Action] Liability and Errors and Omissions Insurance [Action] Draft EBMUD Facilities Usage Agreement [Discussion] FY 24 Budget [Discussion] Multi-Party Agreement Amendment 5 [Discussion] | FY 24 Budget [Finance Committee] Multi-Party Amendment 5 [Finance Committee] WIFIA Application [Finance Committee] Bank Services [Finance Committee] Program Schedule Update [O&E Committee] CCWD Facilities Usage Agreement [O&E Committee] |

| 6-Month Calendar | |
|---|---|
| Board Activities | Committee Activities |
| <i>June 2023</i> | |
| CCWD Facilities Usage Agreement [Action] FY 24 Budget [Action] Multi-Party Agreement Amendment 5 [Action] EBMUD Facilities Usage Agreement [Action] Accounting Services Agreement [Action] Bank Services [Action] WIFIA Application [Discussion] Contract for Administration of Public Benefits [Discussion] | WIFIA Application [Finance Committee] CCWD Design and Construction Agreement [O&E Committee] |
| <i>July 2023</i> | |
| WIFIA Application [Action] Contract for Administration of Public Benefits [Action] Auditor Agreement [Action] Service Agreement [Discussion] | Plan of Finance Update [Finance Committee] |
| <i>August 2023</i> | |
| Service Agreement [Action] | |

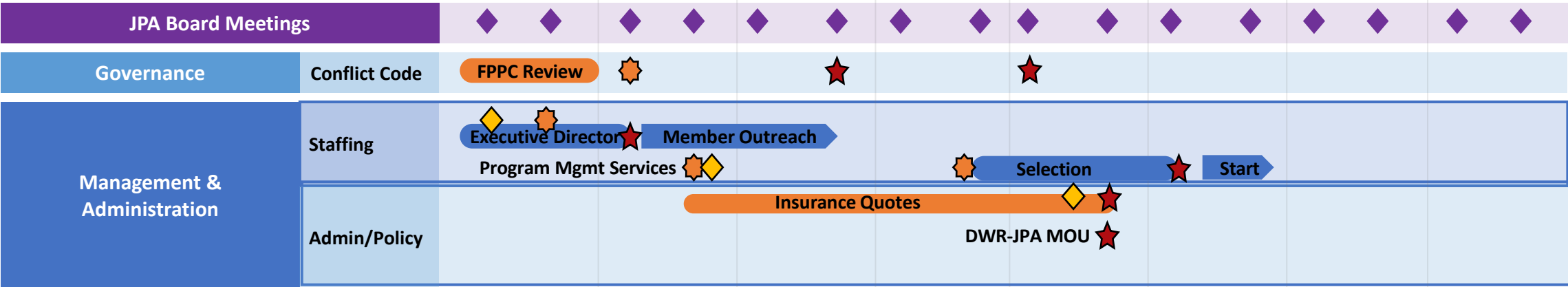
Los Vaqueros Reservoir Joint Powers Authority

Draft 2023 Major Policy Calendar

Dates Subject to Change

 CWC Award Hearing

| 2022 | | | | 2023 | | | | |
|------|-----|-----|-----|------|-----|-----|-----|--|
| Jul | Sep | Nov | Jan | Mar | May | Jul | Sep | |



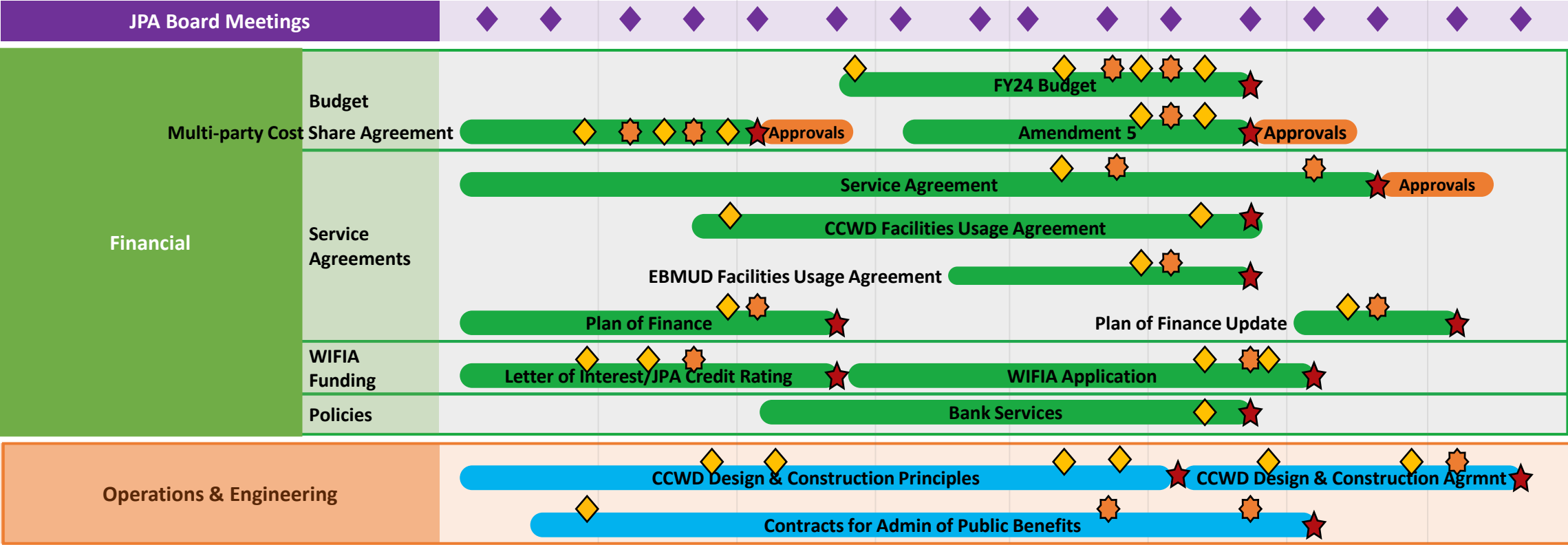
Los Vaqueros Reservoir Joint Powers Authority

Draft 2023 Major Policy Calendar

Dates Subject to Change

CWC Award Hearing

| 2022 | | | 2023 | | | | |
|------|-----|-----|------|-----|-----|-----|-----|
| Jul | Sep | Nov | Jan | Mar | May | Jul | Sep |



Future Agreements to Develop (Schedules TBD)

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

ITEM 4.5: COMMITTEE MEETING SUMMARIES

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

None

DISCUSSION:

The Operations and Engineering Committee and Finance Committee meeting summaries from their respective February meetings follow. In addition, a revision to the December 22, 2022 Finance Committee meeting summary was made at the suggestion of CCWD to clarify the planned capacity of the Exchange Transfer Facility pump station to be constructed in connection with the Transfer-Bethany Pipeline. That revision, as shown in redline in the revised December 22 meeting summary, was approved at the February 23 Finance Committee meeting.



SUMMARY OF REGULAR MEETING OF OPERATIONS AND ENGINEERING COMMITTEE

February 16, 2023 – 10:00 a.m.

Chair Jose Gutierrez and Committee Member Jonathan Wunderlich were present. Committee Member Antonio Martinez arrived to the meeting at approximately 10:10 a.m. due to technical difficulties. Committee member Steve Ritchie was absent.

1.1 December 15, 2022 Operations and Engineering Committee Meeting Summary.

The summary from the December 15, 2022 Operations and Engineering Committee meeting was presented. The draft summary was accepted with no revisions.

1.2 Review of Transfer-Bethany Pipeline Status.

Taryn Ravazzini, Executive Director, introduced Bryan Perkins, CCWD staff, who provided the Committee with a review of the current status of the Transfer-Bethany Pipeline, including an overview of that pipeline, a review of the proposed alternative alignments, including the preferred alignment, and discussion of the status of the land acquisition plan for that pipeline.

Committee Member Wunderlich noted he is in favor of the preferred alignment. Chair Gutierrez asked, in connection with right-of-way acquisition from private landowners, that if eminent domain will be necessary to acquire any of the right-of-way lands. Mr. Perkins stated eminent domain will be used if necessary.

FUTURE AGENDA ITEMS:

- Review Transfer Pipeline inspection results
- Discuss Right-of-Way Acquisition Policy
- Updated Schedule
- Vendors for pipe acquisition for the Transfer-Bethany Pipeline
- Update of revised costs for construction and water supplies for the Project

The meeting was adjourned at 10:24 a.m.

James D. Ciampa

James D. Ciampa, General Counsel



SUMMARY OF REGULAR MEETING OF FINANCE COMMITTEE

December 22, 2022 – 1:00 p.m.

Present at the meeting were Chair, Anthea Hansen, Vice Chair, Paul Sethy, and Committee member John Coleman. Staff and 11 others also attended the meeting.

1.1 November 16, 2022 Finance Committee Meeting Summary. The draft summary of the November 16, 2022 Finance Committee meeting was presented for the Committee's information. General Counsel James Ciampa stated this summary was previously included in the materials at the December 14, 2022 Board of Directors' meeting. No changes were made by the Committee.

1.2 Draft Fiscal Year 2023-24 Budget. Marguerite Patil, Interim Administrator, advised the Executive Director would not be attending the meeting due to illness and that Ms. Patil would be presenting the draft Fiscal Year 2023-24 Budget ("FY24 Budget") for discussion. She advised that the Los Vaqueros Reservoir Joint Exercise of Powers Agreement ("JPA Agreement") requires the Board of Directors to adopt a budget prior to the start of each Fiscal Year, which may be a single year or two-year budget, in the Board of Directors' discretion. The JPA Agreement also requires that a draft of the capital budget is presented six months in advance of the fiscal year in December. Given the current uncertainty with respect to the timing of the commencement of Project construction activities, staff believes it is prudent to again proceed with development of a Budget for a single fiscal year.

The FY24 Budget will cover the period from July 1, 2023 through June 30, 2024. Interim Administrator Patil and Chris Hentz, CCWD's Los Vaqueros Reservoir Expansion Project Engineering Manager, jointly presented the draft FY24 Budget for initial discussion.

Vice Chair Sethy inquired about the structure and timing of the Service Agreements. Interim Administrator Patil advised there will likely be one master Service Agreement, with appended schedules for the participating members. The goal is to have the Service Agreements completed by September 2023 to allow the final award hearing with the California Water Commission to occur in October 2023. Committee Member Coleman remarked that is important for the FY24 Budget to include alternatives in the event funding under the WIFIA loan is not secured and/or if the final award hearing is delayed. Interim Administrator Patil stated the FY24 Budget will include alternative funding scenarios.

Chris Hentz reviewed the sources and uses of funds to be included in the FY24 Budget. The sources of funds include local funding from the members under the Multi-Party Agreement (and likely an Amendment No. 5 to that agreement), state funding through the Early Funding Agreement with the California Water Commission and final award from the Commission, and federal funding from the U.S. Bureau of Reclamation under several programs. The baseline draft FY 24 Budget, without construction costs, is \$19,601,000.

The uses of funds include JPA services, CCWD services (i.e., services contracted by CCWD in support of the Project), CCWD labor, reserves, as required by the JPA Agreement, and contingency. Also, potential design and construction costs for Pumping Plant No. 1 are estimated to be \$21,306,000 and will be included as an appendix to the FY24 Budget.

Committee Member Sethy asked whether the Transfer-Bethany Pipeline's capacity could be increased. Mr. Hentz responded that pipeline is designed with a capacity of 300 cfs but can convey up to 400 cfs in times of emergency; however, the Expanded Transfer Facility pump station is also designed to convey a capacity of 300 cfs and could be damaged if used at higher flow for an extended period. Committee Member Sethy also asked if all JPA members will share in the cost of Pumping Plant No. 1. Mr. Hentz responded the proportional cost for that facility will be shared by all members as determined in the Service Agreement. Committee Member Sethy also recommended a further breakdown of CCWD's labor costs by component, such as salary, benefits and overhead, be included in the FY24 Budget.

The Committee expressed its appreciation and compliments to Ms. Patil, Mr. Hentz and CCWD staff for the thorough presentation.

1.3 Draft Treasurer's Report – Month Ended November 30, 2022. Interim Administrator Patil presented the draft Treasurer's Report for November 2022 for the Committee's review and discussion and noted the JPA remains in a good position from a cash flow perspective.

FUTURE AGENDA ITEMS:

- General Counsel Ciampa stated the Executive Director may convene a joint meeting between the Finance Committee and Operations and Engineering Committee in February to discuss bridge funding.

The meeting adjourned at 2:26 p.m.

James D. Ciampa

James D. Ciampa
General Counsel



SUMMARY OF REGULAR MEETING OF FINANCE COMMITTEE

February 23, 2023 – 1:00 p.m.

Present at the meeting were Chair, Anthea Hansen; Vice Chair, Paul Sethy; and Committee Member Rebecca Eisenberg. Staff and 18 others also attended the meeting.

1.1 December 22, 2022 Finance Committee Meeting Summary. The draft summary of the December 22, 2022 Finance Committee meeting was presented for the Committee’s information with an amendment to provide clarification on the capacity of the Expanded Transfer Facility pump station in connection with the discussion concerning the Transfer-Bethany Pipeline. The draft summary was approved by the Committee, as amended.

1.2 Overview of Current Financial Processes and Procedures. Taryn Ravazzini, Executive Director, advised that since the formation of the Authority, Contra Costa Water District (“CCWD”) has acted as the Authority’s “bank,” handling all accounting and financial reporting, the receipt and deposit of all Authority monies and the processing of all Authority payments. Most of those functions will be transitioned to the Authority in the coming months. Ms. Ravazzini thanked CCWD for the excellent work completed thus far and for their continuing support.

The Committee was provided with information concerning how CCWD is currently handling the above-referenced financial functions. Marguerite Patil, CCWD Assistant General Manager, and David Moore of Clean Energy Capital, the Authority’s financial consultant, provided an overview of those functions, along with information on how the transition of those functions to the Authority will occur.

Ms. Patil summarized the controls in place at the Authority in connection with CCWD’s financial management and accounting activities, cashflow management and financial reporting, which all provide transparency with respect to the Authority’s finances. She noted that both the California Water Commission and the Bureau of Reclamation require monthly status reports and the financial status is then reported to the Authority through the monthly Treasurer’s Reports.

Mr. Moore discussed various procedures in place and the activities involved in transitioning financial functions from CCWD to the Authority’s independent financial management. He noted staff seeks input from the Finance Committee regarding bank selection and the transition plan, as well as JPA requirements for acceptance and filing of an audit. Mr.

Moore explained that Maze & Associates is CCWD’s current auditor and that firm reviewed the Project funds held by CCWD as part of its Fiscal Year 2022 audit, which has been completed. It was anticipated that Maze & Associates would also perform the Fiscal Year 2023 audit for the Authority in conjunction with its audit of CCWD.

Vice Chair Sethy asked Mr. Moore for his recommendation for selecting an independent auditor to avoid any perceived conflict of interest. Mr. Moore explained how the finances at this point remain controlled by CCWD so the work in auditing CCWD’s finances includes the review of the Authority’s funds. Further discussion ensued and Vice Chair Sethy asked Executive Director Ravazzini to present this matter to the full Board to see whether they would prefer to issue a Request for Proposals for an independent auditor for Fiscal Year 2023 that has no connection to CCWD. Vice Chair Sethy also stated he would like to have an independent auditor act as an oversight auditor for the Fiscal Year 2022 audit.

Committee Member Eisenberg noted she prefers to use a separate auditing firm to avoid any perception of a conflict of interest and that she preferred that the Authority proceed with a RFP for a separate auditor. Chair Hansen noted she is in agreement with whatever decision is made that is in the Authority’s best interest and acknowledged the need to take into consideration staffing resources.

The Committee asked the Executive Director and staff to look into options that work within the time frame for the Fiscal Year 2023 audit. Executive Director Ravazzini thanked the Committee for their comments and noted that June 30, 2023 is the target date for transitioning the Authority to independent financial management.

Public Comment: Herman Williams, CCWD Director of Finance, commented that the authority may want to pursue “agreed upon procedures” with another auditor in connection with the Fiscal Year 2022 financials, which would allow the Authority to define the scope of work that review would entail.

1.3 Draft Treasurer’s Report – Month Ended January 31, 2023. Executive Director Ravazzini presented the Draft Treasurer’s Report for the Committee’s review and discussion. Vice Chair Sethy thanked CCWD staff for providing the information and preparing the report.

FUTURE AGENDA ITEMS:

- FY 2024 Budget will be brought to the Committee for discussion at the March 23 Committee meeting.

The meeting adjourned at 2:14 p.m.

James D. Ciampa

James D. Ciampa
General Counsel