



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 14, 2024 – 9:30 a.m.

Chair Angela Ramirez Holmes called the meeting to order at 9:32 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

Antonio Martinez, Director, Contra Costa Water District

Michael Tognolini, Director, East Bay Municipal Utility District

Rebecca Eisenberg, Director, Santa Clara Valley Water District (arrived at 9:45 a.m.)

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District

Patt Young, Alternate Director, Contra Costa Water District

Ricardo Ortega, Alternate Director, Grassland Water District

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

*Richard Santos, Alternate Director, Santa Clara Valley Water District (departed at 11:03 a.m.)

Sandy Figuers, Alternate Director, Zone 7 Water Agency (arrived at 9:37 a.m.)

*Alternate Director Ritchie participated in place of absent Director Herrera and Alternate Director Santos participated until Director Eisenberg arrived

ABSENT

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

Dennis Herrera, Director, San Francisco Public Utilities Commission

Lesa McIntosh, Alternate Director, East Bay Municipal Utility District

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

OTHERS PRESENT

Taryn Ravazzini, Executive Director
James Ciampa, Lagerlof, LLP, General Counsel
Chuck Gardner, Program Manager, Hallmark Group
Maddy Benner, Hallmark Group
Jacqueline Harris, Hallmark Group (via Zoom)
Maureen Martin, Contra Costa Water District
Rosemarie Perea, Board Clerk (via Zoom)
Harrison Tregueza, Assistant Board Clerk

Others were present in person, via Zoom and by telephone.

PUBLIC COMMENT ON NON-AGENDA ITEMS

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

CONSENT CALENDAR

The Consent Calendar consisted of the following items:

1.1 Approval of Minutes from January 10, 2024 Board of Directors Meeting

General Counsel Ciampa noted that San Francisco Public Utilities Commission was not represented at the January 10, 2024 meeting and the Minutes will be amended to reflect that absence on the votes taken.

1.2 Treasurer’s Reports

- **Month Ended November 30, 2023**
- **Month Ended December 31, 2023**

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

Upon motion by Director Martinez, seconded by Treasurer Sethy, the Consent Calendar was approved, with the referenced revisions to the January 10, 2024 Board meeting minutes, by the following roll call vote:

AYES: Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Antonio Martinez, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Richard Santos, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Angela Ramirez Holmes, Chair, Zone 7 Water Agency

NOES: None

ABSENT: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority

ABSTAIN: None

The motion passed with an 7-0 vote, with Vice Chair Anthea Hansen and Alternate Director Jose Gutierrez of San Luis & Delta-Mendota Water Authority absent.

ACTION ITEMS

The Agenda was re-ordered, moving Item 2.2 before Item 2.1.

2.2 Amended Conflict of Interest Code

General Counsel James Ciampa explained to the Board that this item concerns the amendments to the Authority's Conflict of Interest Code suggested by the Fair Political Practices Commission that were presented at the December 14, 2023 Board meeting. He stated the Authority had posted the proposed amendments and no comments or requests for a public hearing on those amendments were received. Thus, the Board can act at this meeting to approve those amendments.

Chair Ramirez Holmes called for public comments online, in the room or from the Board. None were received.

Upon motion by Secretary Wehr, seconded by Alternate Director Ritchie, the Amended Conflict of Interest Code was approved by the following roll call vote:

AYES: Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Antonio Martinez, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Richard Santos, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Angela Ramirez Holmes, Chair, Zone 7 Water Agency

NOES: None

ABSENT: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority

ABSTAIN: None

The motion passed with an 7-0 vote, with Vice Chair Anthea Hansen and Alternate Director Jose Gutierrez of San Luis & Delta-Mendota Water Authority absent.

2.1 Finance Committee Capital Preservation Strategy Recommendation

Executive Director Taryn Ravazzini advised that over the past several months staff has been working on a Capital Preservation Strategy (CPS) to attempt to extend expenditure of Multi-Party Cost Share Agreement Amendment #5 funding through the end of the 2025 fiscal year by reducing the Authority's costs. Those cost reductions will result from deferring consultants' work and, in some cases, reducing their scope of work.

In response to the delay in development of the various Project agreements, staff developed several potential scenarios which were presented at the January Finance Committee for consideration in order to ensure sufficient interim funding for near-term Project activities. Program Manager Chuck Gardner of the Hallmark Group provided a summary presentation noting proposed modifications to consultant scopes of work and contract values. Mr. Gardner presented four scenarios for cost reduction and stated the Finance Committee recommends Scenario No. 2, which

involves reduction of consultant costs but no reduction in Authority meetings. With those reductions, the Authority is estimated to have sufficient funding through June 2025.

Chair Ramirez Holmes called for comments from the Board. Treasurer Sethy voiced his support of Scenario No. 2. Director Eisenberg also supports the recommendation for Scenario No. 2 and commended the work that has been done by staff and the consultants for agreeing to reduce their compensation. Chair Ramirez Holmes expressed concern regarding delays with the Transfer-Bethany Pipeline pre-construction work and inquired if there was funding available to continue with that design and land acquisition work. Mr. Gardner stated that further work will result in increased costs from the figures presented. Alternate Director Ritchie stated the individual Member agencies need to reach conclusions on the Project in order to move the Project forward. Secretary Wehr noted she agrees with Alternate Director Ritchie and appreciates the continuing transparency that results from keeping regularly scheduled meetings in place. Director Martinez noted his agreement with Scenario No. 2.

Upon motion by Director Eisenberg, seconded by Director Tognolini, the Board of Directors approved Scenario No. 2 providing for consultant reductions and keeping public meetings in place, and authorized the Executive Director to execute consultant contract amendments as necessary to revise scopes of work, adjust contract terms and decrease contract amounts and to proceed with a “no cost” amendment to the Multi-Party Cost Share Agreement by the following vote:

AYES: Paul Sethy, Treasurer, Alameda County Water District
 Antonio Martinez, Director, Contra Costa Water District
 Michael Tognolini, Director, East Bay Municipal Utility District
 Rebecca Eisenberg, Alternate Director, Santa Clara Valley Water District
 Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
 Angela Ramirez Holmes, Chair, Zone 7 Water Agency

NOES: None

ABSENT: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
 Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority

ABSTAIN: Ellen Wehr, Secretary, Grassland Water District

The motion passed with a 6-0-1 vote, with Ellen Wehr, Secretary, Grassland Water District abstaining and Vice Chair Anthea Hansen and Alternate Director Jose Gutierrez of San Luis & Delta-Mendota Water Authority absent.

2.3 LVR JPA Proposed Program Management Contract Amendment

Executive Director Ravazzini reported Hallmark Group was contracted for Program Management services to be provided through June 30, 2024 to provide program management, controls and reporting, agreement development support, and strategic communications in the amount of \$1,251,440. The Program Management team’s contracted scope assumed completion of the Service Agreement and other Project agreements by December 2023. However, as has been discussed, the delay in development of the Project agreements and increase in the number of agreement-related meetings has caused Hallmark Group to more rapidly expend the hours allocated for those agreement support tasks. As of December 31, 2023, the Program Management

contract with Hallmark Group had approximately \$468,824.13 in remaining available funds. Program Management costs have averaged monthly billings of \$112,000. The remaining contracted budget only supports an average of \$78,000 per month for the remainder of the 2024 fiscal year. Executive Director Ravazzini further noted that although Hallmark Group is working diligently to manage its resources, additional funding is necessary to absorb the schedule delay and sustain the level of effort required to manage completion of the agreements and maintain business operations of the Authority for the near-term.

This item includes the shifting of \$250,000 in the budgeted “agreement support” line item to the Program Management line item, as well as increasing the Program Management contract by that \$250,000 sum, with \$150,000 allocated to Hallmark Group and \$100,000 allocated to Khadam Consulting. The Finance Committee reviewed the proposed amendment and recommended that the contract amendment be brought to the Board for approval.

Chair Ramirez Holmes called for public comments in the room, on Zoom and from the Board. None were received.

Secretary Wehr emphasized the importance of Khadam Consulting in the agreement development process and mentioned she would be abstaining from voting on this item. Director Eisenberg echoed Secretary Wehr’s comments and stated she was impressed with the integrity and transparency of the Authority.

Upon motion by Director Martinez, seconded by Director Eisenberg, the proposed Program Management Contract Amendment was approved by the following roll call vote:

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

The motion passed with a 6-0-1 vote, with Ellen Wehr, Secretary, Grassland Water District abstaining and Vice Chair Anthea Hansen and Alternate Director Jose Gutierrez of San Luis & Delta-Mendota Water Authority absent.

DISCUSSION ITEMS

3.1 Program Management Update

Executive Director Ravazzini thanked the Board for its efforts and patience. She highlighted the January accomplishments, including progress on agreement development and work on the Contracts for Administration of Public Benefits, with each Member agency appointing one technical staff member and one legal representative to the workgroup. She noted the quarterly WSIP reporting will be shifted from Contra Costa Water District to the Authority.

Program Manager Gardner presented a status report on program-level activities. Monthly standing updates noted in the presentation include status of Authority contract authorizations, budget, schedule, cash flow and status of agreements. He also reviewed design updates and stated the meeting cadence on the various agreements needed to be increased. He also stated the construction schedule, as presented, will also slip by approximately one year.

With respect to the status of agreement negotiations, Treasurer Sethy asked who is involved in negotiating the Turn-In Agreement with the Department of Water Resources and the Contracts for Administration of Public Benefits. Executive Director Ravazzini stated General Counsel Ciampa is working on the Turn-In Agreement along with Curtis Creel of the Hallmark Group. She stated she, Secretary Wehr and Maureen Martin of CCWD are negotiating the Contracts for Administration of Public Benefits.

Alternate Director Ritchie noted the work on the Los Vaqueros Dam is basically constructing a new dam and he would like to change the references to that work from being referred to as a “dam raise.” He also noted the construction risks in dealing with possible unknown conditions. Lastly, he inquired if any response had been received from the Department of Fish and Wildlife (DFW) after the Executive Director had met with Secretary of the Natural Resources Agency, Wade Crowfoot. Executive Director Ravazzini stated DFW wants more components of the Incidental Take Permit included in the Contract for Administration of Public Benefits. Maureen Martin added that DFW has made some positive changes to the Incidental Take Permit, but work remains on that permit.

Secretary Wehr asked whether any of the agreement term sheets have been finalized and if moving to agreement drafting was CCWD’s idea. Mr. Gardner responded that no term sheet has been finalized and that moving to drafting agreements was a mutual decision. Secretary Wehr also noted the importance for the Members to have oversight on construction issues. Mr. Gardner mentioned the possible use of a facilitator to assist with any impasses in the negotiations, but stated the negotiation process has not yet reached that point. Director Eisenberg stated that from her experience bringing in a facilitator before an impasse can be effective and is a way to preserve relationships.

Chair Angela Ramirez Holmes urged the Members, including CCWD, to get back to why the Project started with the Members being invited to participate. Director Martinez advised that CCWD is committed to the Project but must protect its ratepayers and comply with its established Board principles concerning the Project.

Chair Ramirez Holmes called for public comments and comments from those on Zoom. None were received.

3.2 LVR JPA May Board Meeting Reschedule

Executive Director Ravazzini advised the Authority's May Board meeting conflicts with the 2024 ACWA Spring Conference. Staff proposed to coordinate with the Board for an alternative meeting date and time to accommodate the conflict in case that month's meeting is necessary and will report back at the March Board meeting. Also, it is possible the May Board meeting could be cancelled, with any important items addressed at the April or June Board meetings.

Chair Ramirez Holmes called for public comments and comments from those on Zoom. None were received.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 Directors

- Chair Ramirez Holmes noted resolutions should be considered to memorialize future actions.
- Chair Ramirez Holmes also requested that upcoming committee meetings be included in future reports and that acronyms be explained on slides presented so the public can understand what the acronyms mean.
- Director Tognolini advised that East Bay Municipal Utility District has appointed Doug Linney as their new Alternate Director to replace Alternate Director Lesa McIntosh.

4.2 Executive Director

4.2.1 Federal Relations Report

4.2.2 January 2024 Engagement Activities with

Executive Director Ravazzini stated her written report is included in the meeting materials. She stated she engaged in productive meetings with the Bureau of Reclamation at the Mid-Pacific Water Users Conference in late January and she attended the orientation meeting of the ACWA Federal Affairs Committee, on which she was appointed. She stated if any Board member desired copies of any of the Federal Affairs Committee materials, they can contact her and she will provide copies.

4.3 General Counsel

General Counsel Ciampa advised that the 2023 Form 700 is due April 2, 2024. An e-mail will be sent to all Directors, Alternate Directors and applicable staff with the filing information.

4.4 Committee Meeting Summaries

The draft January 22, 2024 Finance Committee Meeting Summary was included in the meeting materials.

The meeting was adjourned at 11:23 a.m.

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Angela Ramirez Holmes

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Angela Ramirez Holmes, Chair

ATTEST:

DocuSigned by:

Ellen Wehr

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Ellen Wehr, Secretary