



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
FINANCE COMMITTEE
AGENDA**

Regular Meeting
August 24, 2023 – 1:00 p.m.

Directors participating telephonically:

Anthea Hansen	17840 Ward Avenue, Patterson, California 95363
Paul Sethy	46961 Zapotec Drive, Fremont, California 94539
Rebecca Eisenberg	2345 Waverly Street, Palo Alto, California 94301
Michael Tognolini	375 Eleventh Street, Oakland, California 94607

This meeting will be conducted remotely 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/81912208202?pwd=dG9hdGFyOWp6L1BERktwK0MyUHVRZz09>

Passcode: 484186

Or One tap mobile:

US: +16694449171,,81912208202#,,,*484186#

or Telephone: 1-669-444-9171

Meeting ID: 819-1220-8202

Passcode: 484186

Any member of the public wishing to make any comments to the Committee 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 Clerk by 4:00 p.m. on the business 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. 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 this Committee meeting, please contact the Authority's Clerk at rperea@lagerlof.com by 4:00 p.m. on the day prior 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

ROLL CALL OF COMMITTEE MEMBERS

Anthea Hansen – Chair, San Luis & Delta-Mendota Water Authority
Paul Sathy – Vice Chair, Alameda County Water District
Michael Tognolini – East Bay Municipal Utility District
Rebecca Eisenberg – Santa Clara Valley Water District

PUBLIC COMMENT ON NON-AGENDA ITEMS

Any member of the public wishing to address the Finance Committee regarding items not on the Agenda should do so at this time. The Committee 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.

DISCUSSION ITEMS (may include action to recommend forwarding items to Board of Directors for adoption or approval)

- 1.1 July 27, 2023 Finance Committee Meeting Summary**
- 1.2 Draft Treasurer's Report – Month Ended July 31, 2023**
- 1.3 Summary of Invoices – Month Ended July 31, 2023**
- 1.4 Procurement Updates**
 - **Audit Request for Proposals**
 - **Bond Counsel Request for Proposals**
- 1.5 September Finance Committee Reschedule Date**

FUTURE AGENDA ITEMS

ADJOURNMENT

ITEM 1.1: JULY 27, 2023 FINANCE COMMITTEE MEETING SUMMARY

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

DISCUSSION:

Attached for the Committee's information is the summary prepared for the July 11, 2023 Finance Committee meeting.

ALTERNATIVES:

Any suggested revisions to the attached summary will be considered.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

Summary from July 27, 2023 Finance Committee meeting



**SUMMARY OF REGULAR MEETING OF
FINANCE COMMITTEE**

July 27, 2023 – 1:00 p.m.

Participating Telephonically:

Chair Anthea Hansen
Vice Chair Paul Sethy
Committee Member Rebecca Eisenberg
Committee Member Michael Tognolini

Chair Hansen called the meeting to order at 1:01 p.m. Authority staff and approximately 14 members of the public attended the meeting.

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

1.1 July 11, 2023 Finance Committee Meeting Summary. The draft summary of the July 11, 2023 Finance Committee meeting was presented for the Committee’s review and discussion. The draft summary was approved by the Committee, as presented.

Chair Anthea Hansen called for public comments; none were received.

1.2 Audit Request for Proposals Approach. Executive Director Taryn Ravazzini advised the Authority will solicit a request for proposals for auditing services for the 2023 Fiscal Year and following fiscal years. Staff prepared a draft procurement schedule for review and discussion with the Finance Committee. The proposed approach will include a selection committee of Authority staff and member agency representatives. The intent of the overall schedule contemplates onboarding of the audit firm as early as September 2023.

Program Manager Chuck Gardner provided additional context to support the discussion. Included in the Audit Services RFP Schedule was an RPF posting date of August 11. Chair Hansen asked if the posting date could be moved to a week earlier, Friday, August 4. Mr. Gardner advised that an earlier date was possible. Executive Director Ravazzini asked for the Committee’s consideration to include Vice Chair Sethy, in his capacity as the Authority’s Treasurer, on the selection panel. Vice Chair Sethy proposed, as an alternative, the inclusion of

Alternate Director Jonathan Wunderlich on the selection panel. Vice Chair Sethy inquired as to who is presently on the selection committee. Ms. Ravazzini responded that Authority leadership was included – herself, the Program Manager and the Authority’s Financial Advisor, along with the Treasurer or his appointee. The consensus of the Committee was to keep the selection panel small.

Chair Anthea Hansen called for public comments; none were received.

1.3 Financial Transition Updates. Program Manager Gardner reviewed the current status of the financial transition from Contra Costa Water District to the Authority. Mr. Gardner stated the accounting consultant is now on-board and is assisting with that transition.

The Authority has procured accounting software and has selected QuickBooks based on significantly lower costs (\$900 initial fee and continuing annual fee compared to \$18,000 and \$9,000 annual fees on the alternative products that were reviewed) and quicker implementation period (one week for QuickBooks compared to 45 and 60 days for the other products). If more robust software is needed in the future, the Authority can look at making a change at that time. The Committee concurred with the decision.

Mr. Gardner then reviewed the contemplated invoice review, approval and payment process. That process will include review by the Program Management team to ensure the invoice is within the financial parameter of the subject contract and within the approved scope of work. Once approved through that review, the Executive Director will then give final approval to payment of the invoice. A copy of the invoices will then be sent to CCWD for grant reimbursement. Summaries of approved invoice payments will be included in the Treasurer’s Report each month for the Committee’s and Board’s information.

Chair Hansen asked whether invoices would be paid monthly. Mr. Gardner responded they would be paid monthly and advised that invoices submitted by the 10th of the month will be paid between the 15th and 20th of the month.

Vice Chair Sethy inquired as to how much has been transferred from CCWD into the Authority’s account. Ms. Ravazzini advised that approximately \$1.4 million has been transferred to the Authority and she will verify with CCWD as to how much CCWD continues to hold.

Chair Anthea Hansen called for public comments; none were received.

1.4 Draft Treasurer’s Report – Month Ended June 30, 2023. Executive Director Ravazzini presented the Draft Treasurer’s Report for the month ended June 30, 2023 for review and discussion. She also advised that the U.S. Bureau of Reclamation had approved an additional \$10 million allocation to the Los Vaqueros Reservoir Expansion Project, to bring total federal funding for the Project to \$174 million. Executive Director Ravazzini also updated the Committee on the status of members’ approval of Amendment No. 5 to the Multi-Party Cost Share Agreement.

FUTURE AGENDA ITEMS:

Executive Director Ravazzini stated the August Committee meeting will include an update on the status of the request for proposals for bond counsel. Vice Chair Sethy asked whether a disclosure counsel would also be required, and General Counsel Ciampa responded that will depend on the type of financing vehicle that is selected.

Also, the Committee will be updated on the ongoing discussion with members' finance staff concerning the possible preparation of a Master Resolution in connection with the financing process.

Executive Director Ravazzini alerted the Committee of the possible need to reschedule the September Committee meeting. She will follow-up with the Committee in August after more is known with respect to that possible rescheduling.

The meeting adjourned at 1:34 p.m.

James D. Ciampa

James D. Ciampa
General Counsel

ITEM 1.2: DRAFT TREASURER’S REPORT – MONTH ENDED JULY 31, 2023

RESPONSIBLE/LEAD STAFF MEMBER:

Jacqueline Harris, Program Controls Manager

DISCUSSION:

The draft Treasurer’s Report for July 2023 will be presented for the Committee’s review and discussion.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

Draft Treasurer’s Report for July 2023



DRAFT TREASURER’S MONTHLY REPORT FOR THE PERIOD ENDED JULY 31, 2023

AUGUST 18, 2023

UPCOMING ACTIVITIES

August 24 at 1:00 p.m. – Finance Committee Meeting via Zoom

September 18 at 2:00 p.m. – Finance Committee Meeting via Zoom

FINANCE COMMITTEE

Chair: Anthea Hansen, SLDMWA

Vice-Chair: Paul Sethy, ACWD

Rebecca Eisenberg, SCVWD

Michael Tognolini, EBMUD

ACRONYM KEY

ACWD – Alameda County Water District

CCWD – Contra Costa Water District

CWC – California Water Commission

EBMUD – East Bay Municipal Utility District

LAP – Local Agency Partners

MPA – Multi-party Cost Share Agreement

SCVWD – Santa Clara Valley Water District (Valley Water)

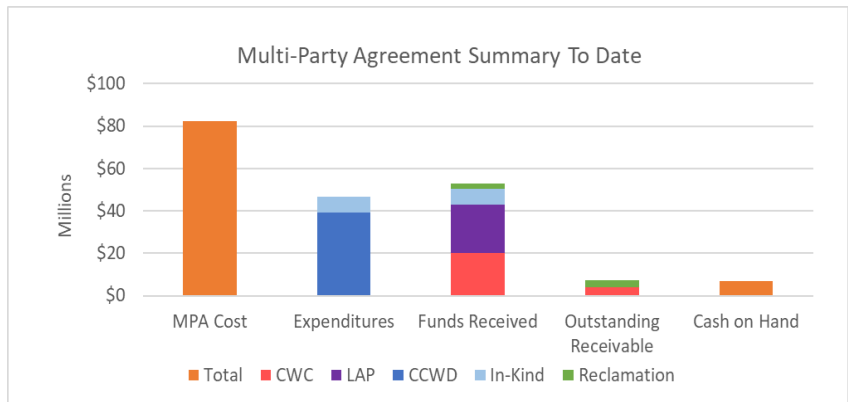
SLDMWA – San Luis & Delta-Mendota Water Authority

MULTI-PARTY AGREEMENT STATUS

Amendment No. 5 to the Multi-Party Cost Share Agreement (MPA) was previously executed by the JPA and CCWD and is being routed electronically to each JPA Member following their approval. The first invoice of \$619,500 per agency will be sent to JPA Member agencies in September 2023.

MPA EXPENDITURES

The following chart provides an overview of the MPA expenditures through July 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 Cost: \$84,610,865 (through Amendment No. 5)

Expenditures:
 CCWD: \$39,006,830
 LVRJPA: \$240,857 (Consultants and Legal)
 In-kind: \$7,678,868 (LAPs and Reclamation)
 Total: \$46,926,555

Funds Received:
 CWC: \$19,944,222
 Reclamation: \$2,420,227
 LAP: \$22,853,077 (cash contributions)
 In-kind: \$7,678,868 (LAPs and Reclamation)
 Total: \$52,896,394

Outstanding Receivables:
 CWC: \$4,071,603 (invoices and retention)
 Reclamation: \$3,025,702

Cash on Hand:
 CCWD: \$7,035,669
 LVRJPA: \$1,425,000

FEDERAL FUNDING STATUS

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

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

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

STATE FUNDING STATUS

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

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

Early Funding Agreement Summary to Date:

Total Budget:	\$47,755,834
Total Program Funding:	\$23,877,917 (50 percent cost share)
Total Billed To Date:	\$47,184,484 (99% spent to date)
Total Amount Remaining:	\$571,350
Total Retention To Date:	\$160,369
Outstanding Invoices:	\$4,071,603

ITEM 1.3: SUMMARY OF INVOICES – MONTH ENDED JULY 31, 2023

RESPONSIBLE/LEAD STAFF MEMBER:

Jacqueline Harris, Program Controls Manager

DISCUSSION:

At the request of the Authority Board of Directors, the Finance Committee will be provided a summary of the monthly invoices received. The Summary of Invoices for July 2023 will be presented for Committee discussion.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

Summary of Invoices – Month Ended July 31, 2023



**SUMMARY OF INVOICES
FOR THE MONTH ENDED JULY 31, 2023**

The invoices below have been reviewed and approved for payment.

Vendor/Consultant	Billing Period	Invoice Total
Clean Energy Capital	July 2023	\$51,663.75
Eide Bailly	July 2023	\$2,959.25
Hallmark Group	July 2023	\$111,241.46
Lagerlof, LLP	July 2023	\$19,033.50
Natural Resources Results	July 2023	\$15,000.00
Regional Government Services	July 2023	\$2,313.71
T. Ravazzini Consulting, LLC	July 2023	\$38,644.85
Total Cost		\$240,856.52

The total cost above is included in the Expenditures section of the Treasurer’s Report. The JPA’s bank balance at J.P. Morgan Chase was \$1,425,000 as of July 31, 2023.

ITEM 1.4: PROCUREMENT UPDATES

RESPONSIBLE/LEAD STAFF MEMBER:

Jessica Alwan, Deputy Program Manager

DISCUSSION:

Staff have been working to develop solicitations for the Authority for Audit service and for Bond Counsel. The Request for Proposals (RFP) for Audit Services was released on August 4th with proposals due on August 25th. Staff anticipates bringing a recommendation and agreement before the Board in September. The Bond Counsel RFP is in development and is anticipated to be released by the end of August.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

None.

ITEM 1.5: SEPTEMBER FINANCE COMMITTEE RESCHEDULE DATE

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

As a result of Authority staff conflicts, the September Finance Committee will be rescheduled from its standing date and time. After a poll of Committee availability, September 18th, 2023 at 2:00pm has been determined to be the tentative reschedule date. Adjustments to the internal calendar notifications will be made accordingly.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

None.