



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
AGENDA**

Regular Meeting of the Board of Directors
February 14, 2024 – 9:30 a.m.

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

JOIN BY ZOOM

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/81404669563>

Or One tap mobile:

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

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

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

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ALTERNATE DIRECTORS

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

PUBLIC COMMENT ON NON-AGENDA ITEMS

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

CONSENT CALENDAR

- 1.1 Approval of Minutes from January 10, 2024 Board of Directors Meeting**
- 1.2 Treasurer’s Reports**
 - **Month Ended November 30, 2023**
 - **Month Ended December 31, 2023**

ACTION ITEMS

- 2.1 Finance Committee Capital Preservation Strategy Recommendation**
- 2.2 Amended Conflict of Interest Code**
- 2.3 LVR JPA Proposed Program Management Contract Amendment**

DISCUSSION ITEMS

- 3.1 Program Management Update**
- 3.2 LVR JPA May Board Meeting Reschedule**

FUTURE AGENDA ITEMS

REPORTS

- 4.1 Directors**
- 4.2 Executive Director**
 - 4.2.1 Federal Relations Report**
 - 4.2.2 January 2024 Engagement Activities with Reclamation**
- 4.3 General Counsel**
- 4.4 Committee Meeting Summaries**

ADJOURNMENT

CONSENT CALENDAR

ITEM 1.1: APPROVAL OF MINUTES FROM JANUARY 10, 2024 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 January 10, 2024 Board of Directors meeting.

DISCUSSION:

The Clerk, General Counsel and Executive Director have prepared the attached draft minutes from the January 10, 2024 Board of Directors meeting.

ALTERNATIVES:

Any suggested revisions to the draft January 10, 2024 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- Draft minutes from January 10, 2024 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

January 10, 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

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

Ellen Wehr, Secretary, Grassland Water District

Paul Sethy, Treasurer, Alameda County Water District

Antonio Martinez, Director, Contra Costa Water District

Michael Tognolini, Director, East Bay Municipal Utility District

Rebecca Eisenberg, Director, Santa Clara Valley Water District (arrived at approximately 9:50 a.m.)

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District

Patt Young, Alternate Director, Contra Costa Water District

Richard Santos, Alternate Director, Santa Clara Valley Water District

ABSENT

Lesla McIntosh, Alternate Director, East Bay Municipal Utility District

Dennis Herrera, Director, San Francisco Public Utilities Commission

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

Sandy Figuers, Alternate Director, Zone 7 Water Agency

OTHERS PRESENT

Taryn Ravazzini, Executive Director
James Ciampa, Lagerlof, LLP, General Counsel (via Zoom)
Chuck Gardner, Program Manager, Hallmark Group
Jessica Alwan, Program Manager, Hallmark Group
Maddy Benner, Hallmark Group
Maureen Martin, Contra Costa Water District
Rosemarie Perea, Board Clerk (via Zoom)
M. J. Brown, Assistant Board Clerk

Approximately 30 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:

1.3 Approval of Minutes from December 13, 2023 Board of Directors Meeting

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

Upon motion by Treasurer Sethy, seconded by Director Martinez, the Consent Calendar was approved by the following roll call vote:

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

The motion passed with a 7-0 vote.

ACTION ITEM

2.1 Election of Chair and Vice Chair

Chair Angela Ramirez Holmes advised that Sections 4.1 and 4.2 of the Authority’s Joint Exercise of Powers Agreement (“JPA Agreement”) address the election of the Authority’s Chair and Vice Chair, respectively. Those sections provide those officers are to be elected at the Board’s first meeting of each calendar year.

Chair Ramirez Holmes then asked for nominations for Chair. Vice Chair Anthea Hansen nominated Angela Ramirez Holmes for another term as Chair. No other nominations were received, and the election of Angela Ramirez Holmes as Chair was approved by the following roll call vote:

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

The motion passed with a 7-0 vote.

Chair Ramirez Holmes then asked for nominations for Vice Chair. Secretary Ellen Wehr nominated Anthea Hansen for another term as Vice Chair. No other nominations were received, and the election of Anthea Hansen as Vice Chair was approved by the following roll call vote:

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

The motion passed with a 7-0 vote.

Chair Ramirez Holmes further stated that pursuant to Sections 4.3 and 4.4 of the JPA Agreement, the offices of Secretary and Treasurer are appointed by the Board and serve at the Board's pleasure and therefore there is no need for those offices to be addressed at this meeting. If either Secretary Wehr or Treasurer Sethy did not desire to continue in those positions or there was a desire of the Board to change the appointments to those offices, such a change could be considered at the February 14 Board meeting. Both Secretary Wehr and Treasurer Sethy expressed their desire to continue in their respective positions.

DISCUSSION ITEMS

3.1 Program Management Update

Chuck Gardner, Program Manager, presented a status of JPA program-level activities. Monthly standing updates noted in the presentation included accomplishments from the prior month, status of Authority contract authorizations, budget review, schedule review, review of cash flow, status of agreements and overview of the capital preservation strategy to be implemented.

December accomplishments included refining of the Project agreements' schedule, development of the capital preservation strategy and transmitting the respective Facilities Usage Agreements to CCWD and EBMUD. In reviewing the Authority's contract authorizations, Mr. Gardner noted Clean Energy Capital and Hallmark Group remained over-budget. He stated Clean Energy Capital's workload will be reduced in the coming months because the interim financing efforts will be placed on hold. The Hallmark Group's efforts will be more difficult to adjust because its budgeting had contemplated the Project agreements being done by the end of 2023, but efforts on those agreements are expected to continue throughout 2024.

Mr. Gardner then summarized the current status of Authority's FY 24 budget and stated the Authority's expenses, CCWD's outside expenses and CCWD's internal labor costs were all under budget. He then reviewed the project cash flow report, which included a contingency amount of \$583,617. Vice Chair Hansen asked if that contingency amount is expected to be spent in the current fiscal year and Mr. Gardner replied that with the current reduction of expenses, it is not likely that contingency amount will be spent in the current fiscal year.

On the construction schedule update, the Mr. Gardner clarified the schedule provided has not been adjusted. He stated the revised schedule is still being reviewed, but he expects about an eight-month delay to get to funding with the California Water Commission, which will impact the construction start date. He stated the revised schedule will likely be presented to the Board at its March meeting.

Mr. Gardner then reviewed the status of the various Project agreements. He stated the CCWD Design and Construction Agreement continues to be negotiated by the work group of General Managers. The next meeting of that group is on February 1. Secretary Wehr asked if that is the first meeting after the December 19, 2023 meeting that occurred. Mr. Gardner stated it was and that he hoped the cadence of meetings can be increased. He also confirmed that Executive Director Ravazzini attended the December 19 meeting and will be attending the February 1 meeting. Secretary Wehr requested an analysis be prepared of the financial impacts to members of any shifts in risks under the Design and Construction Agreement. Chair Ramirez Holmes requested that meeting notes from the December 19 and February 1 meetings be provided to the Ad Hoc Committee for the CCWD Design and Construction Agreement.

Mr. Gardner reported the Authority transmitted its comments and proposed revisions to the EBMUD Facilities Usage Agreement Term Sheet to EBMUD and a meeting to discuss those revisions and issues will occur in the next few weeks. Also, the Authority transmitted its comments and proposed revisions to the CCWD Facilities Usage Agreement Term Sheet to CCWD and a meeting will be scheduled in early to mid-February. With respect to the Service Agreement, Ibrahim Khadam will be conducting oversubscription workshops later this month.

Mr. Gardner stated CCWD and EBMUD continue to work on development of the Backstop Plan and CCWD is awaiting a draft memorandum from EBMUD. Director Tognolini clarified EBMUD is working on one piece of the overall backstop plan, the conveyance piece. Maureen Martin of CCWD advised she had just received the memorandum from EBMUD and CCWD is working with the Bureau of Reclamation on related issues and is studying various water treatment alternatives.

Mr. Gardner then discussed the status of the Contracts for Administration of Public Benefits. He corrected the slide in the meeting packet (page 24 of the packet) which stated that member input had been provided on the Ecosystem CAPB and clarified that CAPB will be provided to members' staffs once further drafting issues are resolved. With respect to permitting issues, Executive Director Ravazzini stated the Authority signed onto a comment letter to the California Department of Fish and Wildlife in support of CCWD's counter-proposal to the draft Incidental Take Permit for operations. Among the issues addressed is the need for a longer permit term (to increase to a 20-year term) and revisions to the minimization measures so they are more proportional.

Mr. Gardner then reviewed the revised LVE JPA Summary Schedule. Treasurer Sethy asked what encompasses the DWR Turn-In Agreement. Mr. Gardner responded that agreement addresses the flow of water into the State Water Project. Maureen Martin noted the Turn-In Agreement applies only to the portions of the Transfer-Bethany Pipeline that traverse land owned by DWR. Vice Chair Hansen asked whether a wheeling agreement would be required. Ms. Martin advised there may be a need for a conveyance agreement depending on the nature of the water being moved but that would be addressed later, in a subsequent agreement. Vice Chair Hansen asked what parties are signatories on the Turn-In Agreement. Ms. Martin responded the Authority and DWR are the parties to the agreement and CCWD's obligations will be addressed through its agreements with the Authority.

Alternate Director Wunderlich asked whether there will be another cost update. Mr. Gardner stated he was anticipating receiving updated costs to inform the capital preservation strategy from CCWD in the next few days. Additionally, he noted that a third party could be engaged by the LVR JPA to provide technical review services of the overall project cost estimate. Alternate Director Wunderlich emphasized the members' need for the updated financial information. Chair Ramirez Holmes stated the Finance Committee should be involved in any decisions relating to the revised cost estimates and determining whether third party review is necessary.

Mr. Gardner stated the revised schedule has time built in for members' committee review processes. He stated the Authority is in close communication with members to ensure alignment with those processes. Chair Ramirez Holmes asked CCWD to ensure that audio is available for its committee meetings so interested parties can hear the discussions at those meetings.

With respect to the Authority's burn rate reduction, it was proposed that committee meeting frequency be reduced to bi-monthly Finance Committee meetings, quarterly Operations and Engineering Committee meetings and twice annually Communication and Outreach Committee meetings. Reducing the number of meetings would reduce administrative costs related to those meetings. Chair Ramirez Holmes would like the Communications and Outreach Committee

meetings to be scheduled quarterly and they could be cancelled if there was no business to discuss.

Director Eisenberg noted the Authority needs to look at ways to develop other revenue sources and she stated the Authority should review possible use of carbon credits to generate revenue. She also feels that reducing transparency is unfair to the public. Vice Chair Hansen asked what is saved by not having a Finance Committee meeting. Mr. Gardner advised he would provide an update of the expected cost savings to the Finance Committee. Chair Ramirez Holmes stated Authority staff should discuss possible meeting reductions with each of the committee chairs.

Chair Ramirez Holmes called for public comments and comments from those on Zoom. None were received. She then asked for any questions or comments from directors. Director Martinez stated his appreciation for the work that is being done behind the scenes on the agreements.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 Directors.

Chair Ramirez Holmes noted it is the time to review all committee assignments. She is not inclined to make any changes, but if anyone would like a change to their committee assignment, they should e-mail her those requests for consideration.

4.2 Executive Director

Executive Director Ravazzini stated her written report is included in the meeting materials. She emphasized the ongoing Executive Management Team meetings between the Authority and CCWD and her appointment as a member of the Association of California Water Agencies' Federal Affairs Committee, representing ACWA's Region 5.

With respect to engagement activities with the Bureau of Reclamation, she mentioned several leadership changes at the Bureau and that further technical discussions with the Bureau will take place at the CVP Water Users Conference on January 24 to 26.

4.3 General Counsel

General Counsel Ciampa had no report.

4.4 Committee Meeting Summaries

The Finance Committee Meeting Summary for December 5, 2023 was presented.

The meeting was adjourned at 10:52 a.m.

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

**ITEM 1.2: TREASURER’S REPORT
MONTH ENDED NOVEMBER 30, 2023
MONTH ENDED DECEMBER 31, 2023**

RESPONSIBLE/LEAD STAFF MEMBER:

Jacqueline Harris, Program Controls Manager

DISCUSSION:

Staff has prepared the Treasurer’s Report for Month Ended November 30, 2023 and Month ended December 31, December 2023. These reports were reviewed by the Finance Committee at the January 22, 2024 meeting.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

None.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- Treasurer’s Report for Month Ended November 30, 2023
- Treasurer’s Report for Month Ended December 31, 2023



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

JANUARY 22, 2024

UPCOMING ACTIVITIES

February 22, 2024 – Finance Committee Meeting via Zoom

March 28, 2024 - Finance Committee Meeting via Zoom

FINANCE COMMITTEE

Chair: Anthea Hansen, SLDMWA

Vice-Chair: Paul Sethy, ACWD

Rebecca Eisenberg, SCVWD

Michael Tognolini, EBMUD

ACRONYM KEY

ACWD – Alameda County Water District

CCWD – Contra Costa Water District

CWC – California Water Commission

EBMUD – East Bay Municipal Utility District

GWD – Grassland Water District

MPA – Multi-party Cost Share Agreement

SFPUC – San Francisco Public Utilities Commission

SCVWD – Santa Clara Valley Water District (Valley Water)

SLDMWA – San Luis & Delta-Mendota Water Authority

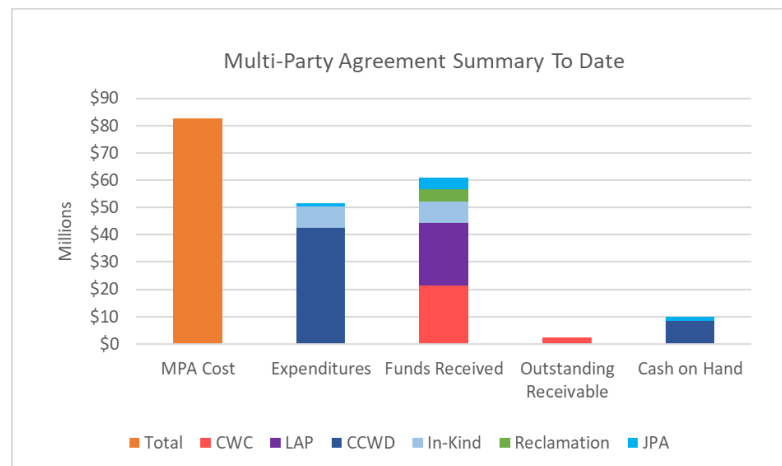
Zone 7 – Alameda County Flood Control and Water Conservation District

MULTI-PARTY AGREEMENT STATUS

Amendment No. 5 to the Multi-Party Cost Share Agreement (MPA) has been fully executed by the JPA, CCWD and all other JPA Members. All payments from the first round of Member Agency funding have been received. The second invoice of \$619,500 will be dated January 5, 2024 and will be sent out in mid-December with a scheduled due date of February 29, 2024.

MPA EXPENDITURES

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



MPA Cost: \$82,510,865 (Amendment No. 5) – see note below

Expenditures:

CCWD: \$41,639,337

LVRJPA: \$1,226,862 (Consultants and Legal)

In-kind: \$7,776,868 (Member Agencies and Reclamation)

Total: \$50,643,067

Funds Received:

CWC: \$21,387,546

Reclamation: \$2,420,227

Member Agencies: \$27,276,500 (Cash Contributions)

In-kind: \$7,776,868 (Member Agencies and Reclamation)

Total: \$58,861,141

Outstanding Receivables:

CWC: \$2,490,371 (Invoices and Retention)

Reclamation: \$2,071,077

LVRJPA: \$0 (Member Agencies)

Cash on Hand:

CCWD: \$8,609,073

LVRJPA: \$1,727,091

Note: Cumulative cost has been adjusted; the cost of MPA No. 3 was misstated in prior reports.

Early Funding Agreement Summary to Date:

Total Budget:	\$47,755,834
Total Program Funding:	\$23,877,917 (50% cost share)
Total Billed To Date:	\$47,755,834 (100% spent to date)
Total Amount Remaining:	\$0
Total Retention To Date:	\$72,506
Outstanding Invoices:	\$2,490,371

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 of 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 because of the inflation adjustments to the total award amount. The summary above reflects the Total Budget and other budget status information of the amended Early Funding Agreement.

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).



TREASURER’S MONTHLY REPORT FOR PERIOD ENDED DECEMBER 31, 2023

JANUARY 22, 2024

UPCOMING ACTIVITIES

February 22, 2024 – Finance Committee Meeting via Zoom

March 28, 2024 - Finance Committee Meeting via Zoom

FINANCE COMMITTEE

Chair: Anthea Hansen, SLDMWA

Vice-Chair: Paul Sethy, ACWD

Rebecca Eisenberg, SCVWD

Michael Tognolini, EBMUD

ACRONYM KEY

ACWD – Alameda County Water District

CCWD – Contra Costa Water District

CWC – California Water Commission

EBMUD – East Bay Municipal Utility District

GWD – Grassland Water District

MPA – Multi-party Cost Share Agreement

SFPUC – San Francisco Public Utilities Commission

SCVWD – Santa Clara Valley Water District (Valley Water)

SLDMWA – San Luis & Delta-Mendota Water Authority

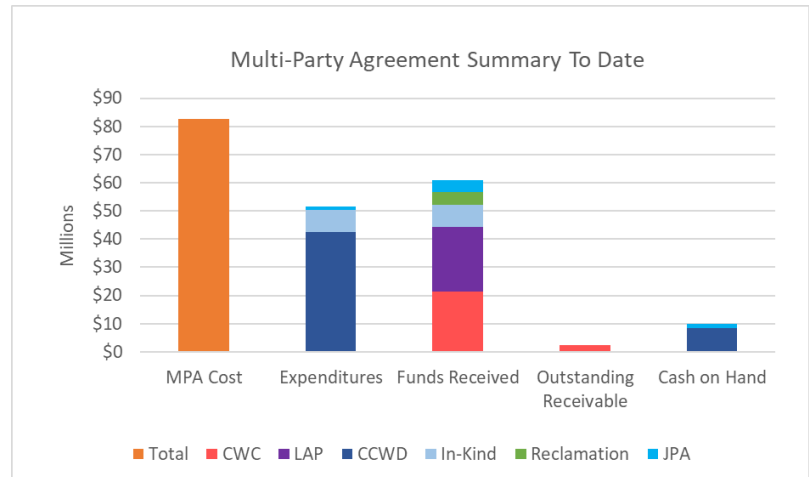
Zone 7 – Alameda County Flood Control and Water Conservation District

MULTI-PARTY AGREEMENT

The second round of Member Agency invoices were sent out on December 15, 2023. Per MPA No. 5, invoices are dated January 5, 2024 and each Member Agency was invoiced \$619,500. Payment is due to the JPA by February 29, 2024.

MPA EXPENDITURES

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



MPA Cost: \$82,510,865 (Amendment No. 5)

Expenditures:

CCWD: \$42,424,180

LVRJPA: \$1,417,292 (Consultants and Legal)

In-kind: \$7,801,368 (Member Agencies and Reclamation)

Total: \$51,642,840

Funds Received:

CWC: \$21,387,546

Reclamation: \$4,491,303

Member Agencies: \$27,350,000 (Cash Contributions)

In-kind: \$7,801,368 (Member Agencies and Reclamation)

Total: \$61,030,217

Outstanding Receivables:

CWC: \$2,490,371 (Invoices and Retention)

Reclamation: \$0

LVRJPA: \$0 (Member Agencies)

Cash on Hand:

CCWD: \$8,378,686

LVRJPA: \$1,521,638

Early Funding Agreement Summary to Date:

Total Budget:	\$47,755,834
Total Program Funding:	\$23,877,917 (50% cost share)
Total Billed To Date:	\$47,755,834 (100% spent to date)
Total Amount Remaining:	\$0
Total Unpaid Retention:	\$433,263
Outstanding Invoices:	\$2,490,371

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 of 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 because of the inflation adjustments to the total award amount. The summary above reflects the Total Budget and other budget status information of the amended Early Funding Agreement.

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.

ACTION ITEMS

ITEM 2.1: FINANCE COMMITTEE CAPITAL PRESERVATION STRATEGY RECOMMENDATION

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

The LVR JPA Finance Committee recommends the Authority's Board of Directors approve the proposed Capital Preservation Strategy (CPS) which seeks to extend expenditure of Multi-party Agreement Amendment #5 funding through June of 2025 by reducing interim costs. The CPS will result in delayed implementation of scope for many project consultants to align with the anticipated delay in development of project agreements. Included in the proposed approval is authority for the Executive Director to execute resulting consultant contract amendments to revise scopes of work, adjust terms of consultant contracts and decrease contract amounts. The action will also include direction for the Executive Director to proceed with a "no cost" amendment to Multi-Party Agreement Amendment #5 to extend its term through June 30, 2025.

DISCUSSION:

The LVR JPA is projecting a schedule delay due to the development of the various partner agreements. In response to this anticipated delay, LVR JPA 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. Staff will provide a summary presentation noting proposed modifications to consultant scope and contract values.

ALTERNATIVES:

The LVR JPA Board could determine to not implement the CPS which would result in a funding deficit by July 2024 requiring additional member contributions.

FISCAL ANALYSIS:

None.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- LVR JPA Capital Preservation Strategy Overview Presentation.

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

**LOS
VAQUEROS**
RESERVOIR
EXPANSION
PROJECT

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

LVR JPA Capital Preservation Strategy Update
February 14, 2024

Overview

1. Background
2. Recommended Reductions
3. Modifications to Scope
4. Next Steps



Background

Conserve capital and focus on mission-critical activities

- Maintain administrative functions of the JPA
- Focus on agreement completion
- Maintain critical design and permitting activities

Funding Scenarios Reviewed by Finance Committee

Finance Committee Options	Consultant Reductions	Public Meeting Reductions	MPA 5 Funding Available Through
Scenario 1	✓	✓	July 2025
Scenario 2	✓	✗	June 2025
Scenario 3	✗	✓	August 2024
Scenario 4	✗	✗	July 2024
No Action	Additional ~\$6M to sustain level of effort through June 2025.		

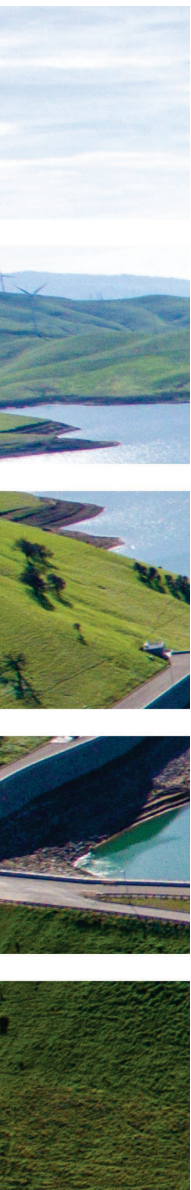
Notes: Does not include facilitation costs or 3rd party technical design reviews for design or cost estimates. Meeting reductions are not contemplated in FY25 Draft Budget.



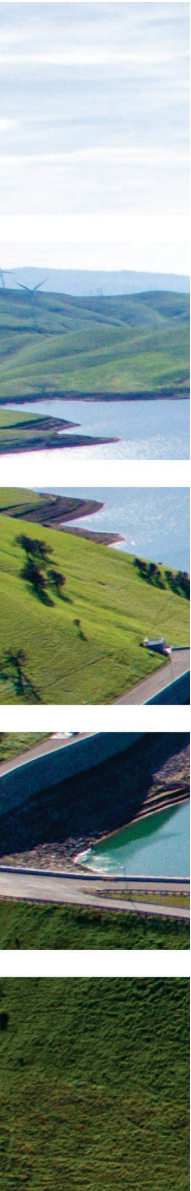
Recommendation Consultant Reductions Only

	Monthly Reduction	
	\$	%
Clean Energy Capital - CEC	\$ 21,956	58%
Eide Bailly, LLP	\$ 1,000	33%
Natural Resource Results, LLC	\$ 5,000	33%
Regional Government Services	\$ 727	23%
Stradling Yocca Carlson & Rauth	\$ 21,875	88%
Reduction	\$ 50,558	
Overall JPA Reduction %	~18%	

Proposed JPA Consultant Reductions Overview



	Continued Scope	Delayed Scope
Clean Energy Capital - CEC	On-call services for financial pro-forma.	Support for WIFIA and interim financing due to schedule delay.
Eide Bailly, LLP	Ongoing support at current level of effort.	Delay in ramp up of services due to minimal transactions.
Natural Resource Results, LLC	Monthly reporting and Executive Director support.	Reduced meeting frequency with interested stakeholders.
Regional Government Services	Monthly board meeting support.	Revised hours assumptions from previous year.
Stradling Yocca Carlson & Rauth	On-call support for WIFIA and interim financing. Review of Service Agreement.	Delay to Prioritization Resolution, WIFIA and interim financing finalization.



Proposed JPA Consultant Reductions Overview



Prozio Consulting & Jennifer Persike (Communications)

Continued Scope

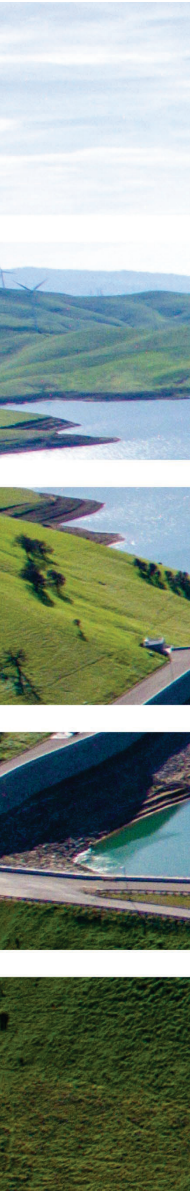
Newsletter development, social media posting, news release support, advisory services.

Delayed Scope

Communications Plan finalization and implementation.

Khadam Consulting, Inc.

Continued agreement development support.



Proposed CCWD Reductions Overview

**AECOM
(Dam Expansion)**

Continued Scope

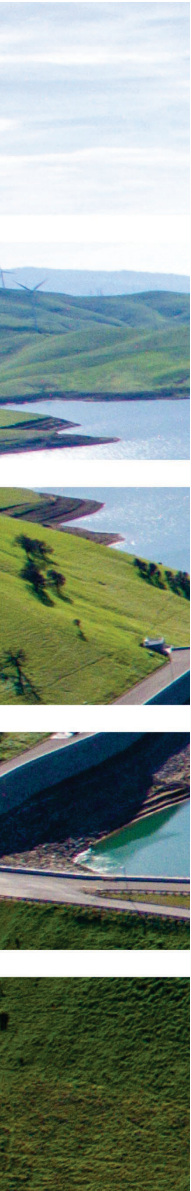
Risk register update, groundwater sampling, deadpool disposal alternatives, electrical and SCADA design, discharge channel design.

Delayed Scope

**Brown & Caldwell
(PP1 Replacement)**

Risk register update, 90% design.

PP1 final design, hydraulic modeling and preliminary design of the Rock Slough Fish Screen Afterbay Encasement as a value engineering proposal.



Proposed CCWD Reductions Overview

Carollo (Transfer Bethany Pipeline)

Continued Scope

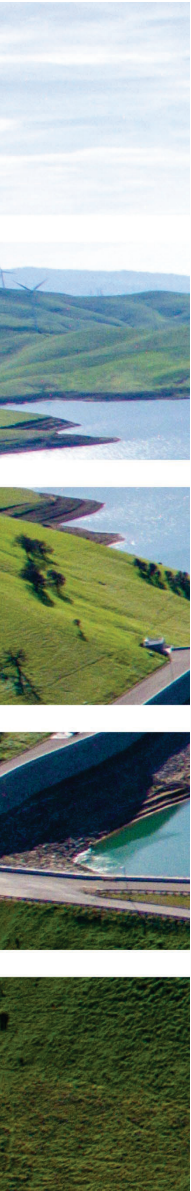
DWR Turn-In Agreement, 30% preliminary design report, conservation land acquisition planning, right of way planning, public right-of-way land rights coordination, Camino Diablo and Vasco Roads crossing design, coordination with PG&E and owners of petroleum pipelines to finalize alignment.

Delayed Scope

Postponement of the second phase of geotechnical investigations, 60% design, and land acquisition efforts.

GEI (Capital PM Services)

Develop Project Management Information System, technical reviews, evaluation of PP1 90% design, evaluation of LVE Program resequencing, project management support services.



Proposed CCWD Reductions Overview

Continued Scope

**CCWD
(Environmental Services
and Permitting)**

No substantial change in work.

**CCWD
(Construction Schedule)**

The delay in CWC funding, combined with slowed efforts on PP1 design, is initially estimated to result in at least a one-year delay in project completion from the June 2023 LVE Project (Construction) Schedule. Further review of the project schedule will be conducted pending resolution of discussions related to the various Program agreements.



MPA 5 No-Cost Time Extension for Scope Only:

- ✓ Reduce JPA burn rate by ~12%
- ✓ Reduce CCWD burn rate
- Extend MPA 5 for time-only and request contingency transfer to JPA, before June 30, 2024.
- CCWD transfers \$1.55M contingency to JPA
- JPA enters into FAA with Reclamation

Next Steps

- Seek LVR JPA Board approval of the recommended consultant reductions.
- Executive Director execution of consultant cost and scope amendments necessary to implement CPS.
- Seek MPA 5 No-Cost Extension.
- Monthly status reporting to LVR JPA Board.

ITEM 2.2: AMENDED CONFLICT OF INTEREST CODE

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, Legal Counsel

RECOMMENDATION:

That the LVE JPA Board adopt the Conflict of Interest Code, as amended.

DISCUSSION:

In December 2022, the Board approved the Authority’s Conflict of Interest Code. The Authority previously submitted the draft Code to the Fair Political Practices Commission (“FPPC”) for approval because the FPPC is the code reviewing body due to the fact the Authority consists of members from multiple counties. The FPPC’s initial suggested revisions to the draft Code were incorporated into the version adopted by the Board in December 2022.

Over the several months in late 2023, the FPPC came back with further proposed revisions to the Code, as it was adopted in December 2022. Those revisions are shown in the attached redlined version of the Code. Those revisions include (i) changes in the assigned Disclosure Categories for the Executive Director and Program Manager, (ii) a clarifying explanatory comment regarding Directors’ filing obligation, and (iii) changes to the Disclosure Categories, including the deletion of prior Categories 5 and 7 and deletion of references to the Administrator. A clean version of the Code, as amended, to be adopted by the Board is also attached.

In December 2023, the Board approved the proposed revisions to the Code, and notice of a 45-day public comment period was posted. There were no requests for a public hearing and it is requested the Board provide final approval of the amended Conflict of Interest Code.

ALTERNATIVES:

The Board could defer action on the draft amendments to the Conflict of Interest Code.

ALTERNATIVES:

None.

FISCAL ANALYSIS:

None.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- Amended Conflict of Interest Code (2024) – redlined and clean versions.

**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 [Appendices, ~~x~~](#) designating positions and establishing disclosure categories, shall constitute the conflict-interest code of the **Los Vaqueros Reservoir Joint Powers Authority** (the "Authority").

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 and shall make the statements available for public inspection and reproduction during regular business hours. (Gov. Code Sec. 81008.)

APPENDIX A

DESIGNATED POSITIONS

Designated Positions Title or Function	Disclosure Categories Assigned
General Counsel for the Authority	1, 2
Executive Director	3, 4, 5 , 6 , 7
Program Manager	2 , 3, 4, 5 , 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 Executive Director 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 Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Government Code Section 81008.)

The following positions are NOT covered by the conflict-of-interest code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

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

An 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.

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 investments⁺:~~

~~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~~

~~⁺ 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.~~

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.~~

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 Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-interest code of the **Los Vaqueros Reservoir Joint Powers Authority** (the "Authority").

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 and shall make the statements available for public inspection and reproduction during regular business hours. (Gov. Code Sec. 81008.)

APPENDIX A

DESIGNATED POSITIONS

Designated Positions Title or Function	Disclosure Categories Assigned
General Counsel for the Authority	1, 2
Executive Director	3, 4, 5
Program Manager	3, 4, 5
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 Executive Director 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 Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Government Code Section 81008.)

The following positions are NOT covered by the conflict-of-interest code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

Members of the Authority's Board of Directors and Alternates

Administrator

Treasurer (if not a Director)

Investment consultant, if any

An individual 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.

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, 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.

Category 5: 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 during the previous two years, or have a claim pending against the Authority.

ITEM 2.3: LVR JPA PROPOSED PROGRAM MANAGEMENT CONTRACT AMENDMENT

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

That the LVR Board of Directors approve the recommended LVR JPA Program Management contract amendment.

DISCUSSION:

As reported at the January 2024 Los Vaqueros Expansion Joint Powers Authority (JPA) Board meeting, the project is experiencing delays related to the development of Member Agency agreements. The program management team has worked closely with the Member Agencies to develop a detailed schedule which estimates that construction funding will not be secured until February 2025. As a result of the near-term delay, additional program management support will be needed to complete the project agreements, funded by a reallocation within the approved JPA FY 23/24 budget.

The Hallmark Group was contracted for Program Management services on May 23, 2023 for a term through June 30, 2024 to provide program management, controls and reporting, agreement development support, and strategic communications with its staff and sub-contractors in the amount of \$1,251,440. The program management team's contracted scope assumed completion of service and related project agreements in December 2023 and a corresponding reduction in costs. Given the expected delays, no reduction in costs will occur throughout the remainder of the fiscal year. Additionally, agreement support for JPA activities exceeded the number of meetings estimated for coordinating with the member agencies.

As of December 31, 2023, the Program Management contract with Hallmark Group had approximately \$468,824.13 remaining available funds. Program Management costs have averaged monthly billings of \$112,000/mo. The remaining contracted budget only supports an average of \$78,000/mo. for the remainder of the fiscal year. Although Hallmark Group is working diligently to manage its resources and those of the program, 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 LVR JPA for the near-term.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

The JPA FY 23/24 budget contemplated a line item of \$250,000 for additional agreement support, which is being fulfilled by Hallmark Group and Khadam Consulting. The allocation will include \$150,000 of the amount to support Hallmark and \$100,000 to support Khadam Consulting,

Inc. Note that Hallmark does not receive any mark-up on Khadam's services.. This proposed amendment will serve as a reallocation of that budget line item to program management and will have no additional fiscal impact to approved JPA budget for this year. This proposed amendment does not include any scope or cost related to facilitation services or 3rd party technical reviews for design or cost estimates.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- Proposed Program Management Amendment.

HALLMARK GROUP - AMENDMENT 1

LOS VAQUEROS RESERVOIR EXPANSION PROJECT

Agreement Number:	23051
Amendment Amount:	\$250,000.00
New Contract Value:	\$1,501,440.00

DESCRIPTION OF AMENDMENT

As reported at the January 2024 Los Vaqueros Expansion Joint Powers Authority (JPA) Board meeting, the project is experiencing delays related to the development of Member Agency agreements. The program management team’s contracted scope assumed completion of these agreements in December 2023. The program management team has worked closely with the Member Agencies to develop a detailed schedule which estimates that construction funding will not be secured until February 2025. As a result of the near-term delay, additional program management support will be needed to complete the project agreements.

The JPA FY 23/24 budget contemplated a line item of \$250,000 for additional agreement support, which is being fulfilled by Hallmark Group and its sub-consultants. This proposed amendment will serve as a reallocation of that budget line item to program management and will be of no additional fiscal impact to approved JPA budget for this year. Hallmark requests \$250,000 as an amendment to Agreement 23051 to continue support to the Los Vaqueros Reservoir Joint Powers Authority as described in the scope outlined in the original Agreement.

SCOPE OF WORK

TASK 1 – HALLMARK GROUP EFFORTS

Due to near-term delays related to project agreement development, Hallmark Group will be extending administrative efforts to support agreement development and continued management of JPA activities. Additionally, to-date Hallmark Group has been supporting more JPA meetings than projected in its initial scope and has been tasked with increased support in the development of quarterly progress reports for the Bureau of Reclamation. Hallmark Group requests \$150,000 in support of these efforts.

Consultant	Rate	Hours	Total Cost
Hallmark Group		640	\$ 150,000
<i>Gardner</i>	\$ 350	130	\$ 45,500
<i>Creel</i>	\$ 350	10	\$ 3,500
<i>Harris</i>	\$ 225	95	\$ 21,375
<i>Alwan</i>	\$ 225	195	\$ 43,875
<i>Fields</i>	\$ 200	85	\$ 17,000
<i>Benner</i>	\$ 150	125	\$ 18,750
<i>Fuentes</i>	\$ 150	0	\$ -

TASK 2 – KHADAM CONSULTING EFFORTS

Due to near-term delays related to project agreement development, Hallmark’s subconsultant, Ibrahim Khadam, will be extending his efforts to support agreement development, provide facilitation of oversubscription workshops, and development of additional decision-support analyses. Hallmark Group requests \$100,000 to support Ibrahim Khadam’s efforts.

Consultant	Rate	Hours	Total Cost
Khadam Consulting, Inc.		420 \$	100,000
<i>I. Khadam</i>	\$ 235	420 \$	98,700
<i>Direct Costs</i>		\$	1,300

TERM AND COST SUMMARY

The term of this Amendment is January 1, 2024 through June 30, 2024. Consultant shall invoice all services according to the Original Agreement. The total amount of this Amendment is \$250,000 amending the Agreement to a maximum contract value of \$1,501,440.00.

CONTACT PERSONS

LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY	HALLMARK GROUP
Representative: Taryn Ravazzini	Representative: Charles R. Gardner Jr.
Los Vaqueros Reservoir JPA 1331 Concord Ave.	500 Capitol Mall, Suite 2350
Concord, CA 94520	Sacramento, CA 95814
Phone: (916) 206-5367	Phone: (916) 923-1500
Email: travazzini@losvaquerosjpa.com	Email: cgardner@hgcpm.com

AUTHORIZED SIGNATURES

Hallmark Group and Los Vaqueros Reservoir Joint Powers Authority agree that these services will be performed in accordance with the terms and conditions of original Agreement.

**LOS VAQUEROS RESERVOIR
JOINT POWERS AUTHORITY**

HALLMARK GROUP

Taryn Ravazzini
Executive Director

Charles R. Gardner Jr.
President

Date

Date

DISCUSSION ITEMS

ITEM 3.1: PROGRAM MANAGEMENT UPDATE

RESPONSIBLE/LEAD STAFF MEMBER:

Chuck Gardner, Program Manager

DISCUSSION:

Chuck Gardner, Program Manager, will present a status of JPA program-level activities. Monthly standing updates noted in the presentation include status of Authority contract authorizations, budget, schedule, cash flow, and status of agreements.

ALTERNATIVES:

For discussion purposes.

FISCAL ANALYSIS:

None.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- February 2024 Program Management Update Presentation.

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

LOS VAQUEROS RESERVOIR EXPANSION PROJECT

The background of the slide is a scenic landscape photograph. It shows a large blue reservoir in the middle ground, surrounded by rolling green hills. In the distance, a line of white wind turbines is visible against a clear sky. The foreground shows a paved road and some trees on a grassy slope.

**LVE Program Management Update
February 14, 2024**



Overview

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

January Accomplishments

- ✓ Refinement of Capital Preservation Strategy
- ✓ CCWD Meeting Convened re: Facilities Usage Agreement
- ✓ DCA Meeting Convened, Agreement Review Underway
- ✓ Hosted CAPB Workshop
- ✓ Facilitated General Manager Meeting
- ✓ Submitted WSIP Quarterly Report

Authority Contract Authorizations



Los Vaqueros JPA Active Contracts and Progress Billings - December 2023

Contractor/Consultant/Vendor	Primary Responsibility	Contract Term	Max. Contract Value/NTE	Billed Through December 2023	Remaining Contract Value	% Term Expired	% Billed
CalMutuals - JPRIMA ¹	JPA Insurance Policy	05/30/2023 - 04/01/2024	\$ 62,261.00	\$ 62,261.00	\$ -	70%	100%
Clean Energy Capital - CEC	Finance/Credit Support	08/25/2022 - 06/30/2024	\$ 1,090,515.00	\$ 876,451.04	\$ 214,063.96	73%	80%
Eide Bailly, LLP	Accounting Services	07/01/2023 - 06/30/2024	\$ 98,000.00	\$ 13,734.25	\$ 84,265.75	50%	14%
Hallmark Group	Project Management/Controls	05/22/2023 - 06/30/2024	\$ 1,251,440.00	\$ 758,504.18	\$ 492,935.82	56%	61%
J Comm, Inc. ²	Project Video / CWC Requireme	08/16/2023 - 01/31/2024	\$ 22,000.00	\$ 11,715.59	\$ 10,284.41	82%	53%
Lagerlof, LLP ³	Legal	07/01/2023 - 06/30/2024	\$ 300,000.00	\$ 113,056.02	\$ 186,943.98	50%	38%
Natural Resource Results, LLC	Federal Relations	05/16/2023 - 06/30/2024	\$ 212,500.00	\$ 112,500.00	\$ 100,000.00	56%	53%
Regional Government Services - RGS ⁴	Board Clerk/Administration	03/08/2023 - 06/30/2023	\$ 25,000.00	\$ 24,474.06	\$ 525.94	Month-to-Month	98%
S&P Global Ratings	Rating Evaluation	12/19/2022 - [Open]	\$ 55,000.00	\$ 50,000.00	\$ 5,000.00	Open	91%
T. Ravazzini Consulting	Executive Director	09/14/2022 - 06/30/2025	\$ 1,270,220.00	\$ 557,895.44	\$ 712,324.56	46%	44%
C.J. Brown & Company CPAs	JPA Financial Audit	10/16/2023 - 06/30/2024	\$ 6,250.00	\$ -	\$ 6,250.00	0%	0%
Stradling Yocca Carlson & Rauth ⁵	Bond Counsel	10/24/2023 - 06/30/2025	\$ 225,000.00	\$ 15,800.00	\$ 209,200.00	10%	7%

¹ Payment in full required on policy renewal date.

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

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

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

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

Authority Budget Report

Month End December 31, 2023



Budget Cost Category	FY24 Budget	Budget To Date	Accrued Costs	Paid Costs	Total Accrued/Paid Costs	Budget Variance Over/(Under)
JPA Services ¹						
Management	\$ 1,706,000	\$ 853,000	\$ 892,538		\$ 892,538	\$ 39,538
Administration	\$ 250,000	\$ 125,000	\$ 14,618		\$ 14,618	\$ (110,382)
Financial	\$ 720,000	\$ 360,000	\$ 295,364		\$ 295,364	\$ (64,636)
External Affairs/Agency Support	\$ 470,000	\$ 235,000	\$ 101,716		\$ 101,716	\$ (133,284)
Legal	\$ 505,000	\$ 252,500	\$ 113,056		\$ 113,056	\$ (139,444)
Total JPA Services	\$ 3,651,000	\$ 1,825,500	1,417,292		\$ 1,417,292	\$ (408,208)
CCWD Services ²						
Management	\$ 75,000	\$ 25,000		\$ -	\$ -	\$ (25,000)
Environmental Planning/Design						
Dam Raise	\$ 1,324,400	\$ 441,467		\$ 234,543	\$ 234,543	\$ (206,924)
Transfer Bethany Pipeline	\$ 2,564,800	\$ 854,933		\$ 729,990	\$ 729,990	\$ (124,943)
Pumping Plant No. 1	\$ 1,260,800	\$ 420,267		\$ 188,849	\$ 188,849	\$ (231,418)
Program (not facility specific)	\$ 2,475,333	\$ 825,111		\$ 660,308	\$ 660,308	\$ (164,803)
Legal	\$ 860,000	\$ 286,667		\$ 142,881	\$ 142,881	\$ (143,786)
Fees	\$ 584,000	\$ 194,667		\$ (9,923)	\$ (9,923)	\$ (204,590)
Total CCWD Services	\$ 9,144,333	\$ 3,048,111		\$ 1,946,648	\$ 1,946,648	\$ (1,101,463)
CCWD Labor ³						
Management	\$ 203,000	\$ 101,500		\$ 138,461	\$ 138,461	\$ 36,961
Environmental Planning/Design						\$ -
Dam Raise	\$ 427,100	\$ 213,550		\$ 158,205	\$ 158,205	\$ (55,345)
Transfer Bethany Pipeline	\$ 621,780	\$ 310,890		\$ 254,213	\$ 254,213	\$ (56,677)
Pumping Plant No 1	\$ 427,080	\$ 213,540		\$ 164,864	\$ 164,864	\$ (48,676)
Program (not facility specific)	\$ 2,423,500	\$ 1,211,750		\$ 1,157,415	\$ 1,157,415	\$ (54,335)
Total CCWD Labor	\$ 4,102,460	\$ 2,051,230		\$ 1,873,158	\$ 1,873,158	\$ (178,072)
Total CCWD	\$ 13,246,793	\$ 5,099,341		\$ 3,819,806	\$ 3,819,806	\$ (1,279,535)
Total (excluding contingency)	\$ 16,897,793	\$ 6,924,841	\$ 1,417,292	\$ 3,819,806	\$ 5,237,098	\$ (1,687,743)
Contingency	\$ 2,175,207	\$ 1,087,604	\$ -	\$ -	\$ -	\$ (1,087,604)
Total	\$ 19,073,000	\$ 8,012,445	\$ 1,417,292	\$ 3,819,806	\$ 5,237,098	\$ (2,775,347)

Quarterly Projected Cash Flow Report

Fiscal Year 2024



	Beginning	FY24 - Q1 Jul - Sep	FY24 - Q2 Oct - Dec	FY24 - Q3 Jan - Mar	FY24 - Q4 Apr - Jun	Total
BEGINNING CASH BALANCE	\$ -	\$ -	\$ 1,429,112	\$ 1,523,868	\$ 2,050,363	
CASH SOURCES						
Member Agency Funding (from Contra Costa Water District)		1,425,000	-	-	-	1,425,000
Member Agency Funding (invoiced by JPA - September 1, 2023)		619,500	3,717,000	-	-	4,336,500
Member Agency Funding (to be invoiced by JPA - January 5, 2024)		-	-	4,336,500	-	4,336,500
TOTAL CASH SOURCES		2,044,500	3,717,000	4,336,500	-	10,098,000
TOTAL CASH AVAILABLE	-	2,044,500	5,146,112	5,860,368	2,050,363	
CASH USES						
CCWD Progress Payments (per MPA 5)		-	2,913,000	2,913,000	-	5,826,000
EPA WIFIA Loan Application Fee		100,000	-	-	-	100,000
Management		320,866	433,257	450,530	512,542	1,717,195
Administration		1,569	9,290	5,000	7,500	23,359
Financial		100,376	144,273	70,921	54,326	369,896
External Affairs/Agency Support		40,000	46,716	40,000	30,000	156,716
Legal - General Counsel		43,380	56,758	61,764	73,268	235,169
Legal - Bond Counsel (TBD)		-	-	22,050	9,375	31,425
Insurance - General and Excess Liability		-	-	-	-	-
Contingent Costs		-	-	233,567	350,350	583,917
Direct Reimbursable Costs		9,197	18,952	13,173	15,000	56,321
TOTAL CASH USES		615,388	3,622,244	3,810,004	1,052,362	9,099,998
ENDING CASH BALANCE	\$ -	\$ 1,429,112	\$ 1,523,868	\$ 2,050,363	998,002	

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

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

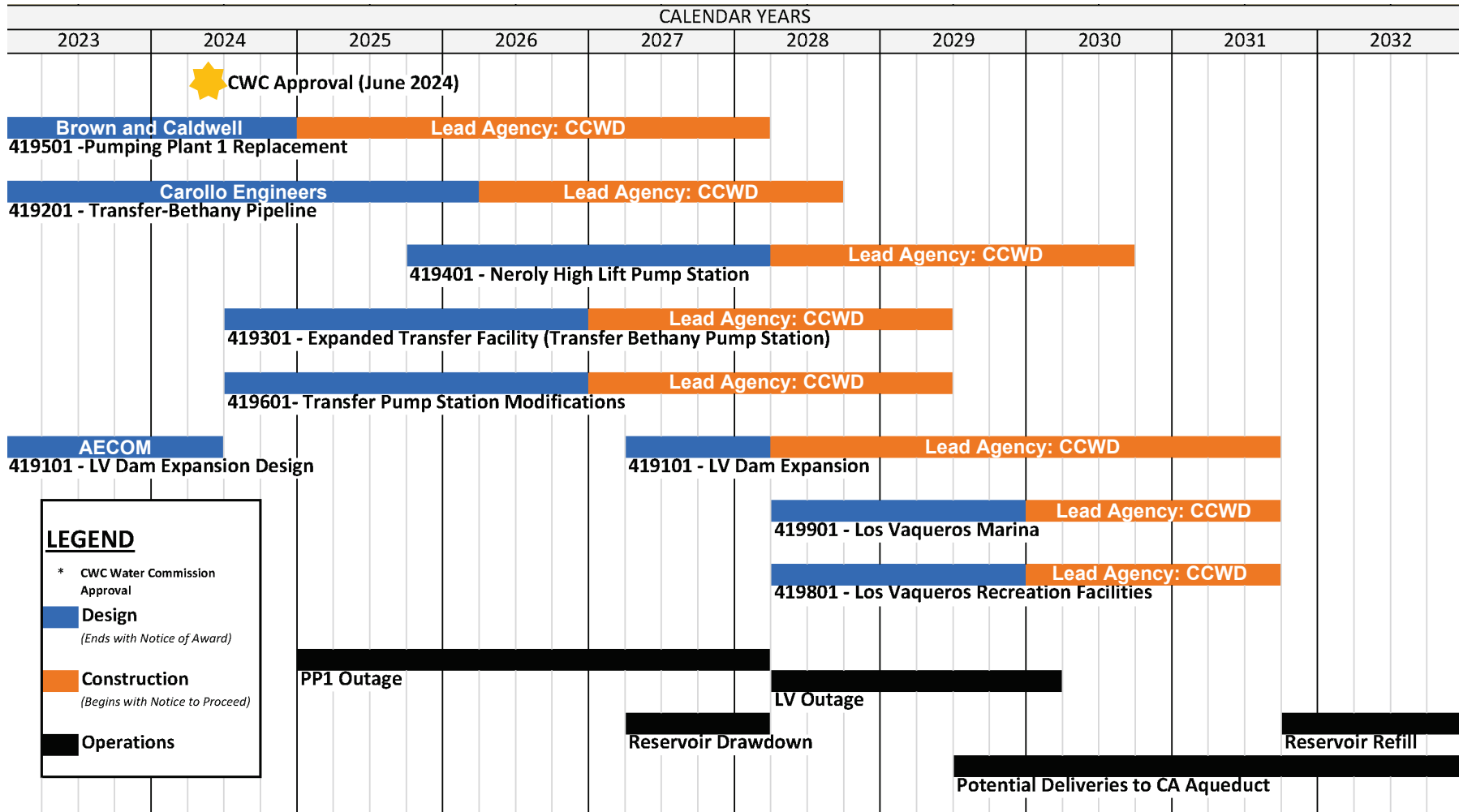
² Program Reserves in 2022 include: Applied Program Contingency (\$47.121M); Capital Project Reserve (\$47.573M); Debt Service Reserve Fund (\$39.995M); and Administrative and Operating Fund Reserve (\$3.731M)



Project Element	June 2022 Capital Cost Estimate Cost at Completion	June 2023 Capital Cost Estimate Cost at Completion	Changes Between Updates	Percent Change (%)
Implementation Costs	\$ 88,600	\$ 89,700	\$ 1,100	1%
Los Vaqueros Dam Expansion	449,200	532,800	83,600	19%
Transfer Bethany Pipeline	219,400	264,600	45,200	21%
Expanded Transfer Facility	94,700	99,000	4,300	5%
Neroly High Lift Pump Station	68,900	77,400	8,500	12%
Pumping Plant No. 1 Replacement	94,100	112,200	18,100	19%
Transfer Pump Station Modifications	60,700	57,100	(3,600)	-6%
Los Vaqueros Recreation Facilities	14,400	10,000	(4,400)	-31%
Los Vaqueros Marina Relocation	84,700	100,500	15,800	19%
Program Reserves ²	138,400	100,000	(38,400)	-28%
Subtotal	\$ 1,313,100	\$ 1,443,300	\$ 130,200	10%
EBMUD Mokelumne Aqueduct	\$ 23,700	\$ 23,700	\$ -	0%
JPA Costs				
Financing Cost	19,100	20,990	1,890	10%
JPA Admin Costs (Pre-Operations)	18,500	33,324	14,824	80%
Interest on LAP Contributions	2,300	2,450	150	7%
Subtotal	\$ 63,600	\$ 80,464	\$ 16,864	27%
Program Total	\$ 1,376,700	\$ 1,523,764	\$ 147,064	11%

Construction Schedule Summary

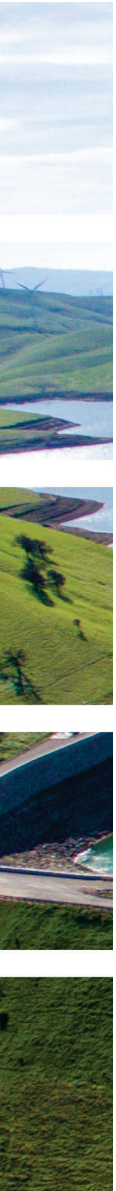
July 13, 2023



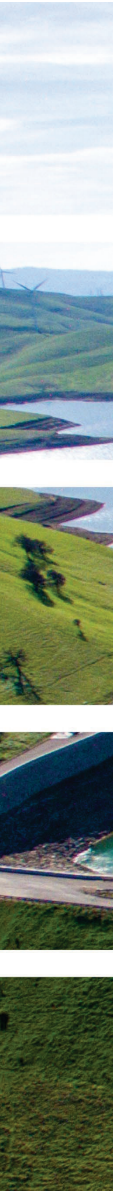
LEGEND

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

LVE JPA Agreements Status



CCWD DCA	Meeting held 2/1, first draft of agreement distributed by CCWD, member review in progress, comments due 2/15.
EBMUD FUA	JPA transmitted comments to EBMUD, meeting scheduled 2/20 to discuss EBMUD response to JPA comments on termsheet.
CCWD FUA	JPA transmitted term sheet comments to CCWD, comment review meeting held 1/30, CCWD to provide formalized response table and revisions to termsheet, CCWD to initiate draft agreement development.



LVE JPA Agreements Status

Service Agreement	Comments consolidated, oversubscription workshops scheduled for February.
Backstop Plan	CCWD is reviewing the draft agreement from EBMUD.
DWR Turn-In	Met with DWR representatives to discuss outstanding terms of the Agreement. Received the updated draft Agreement from DWR.

Contract for Administration of Public Benefits Update

- CAPBs have been shared with staff at JPA member agencies as well as with CDFW and DWR.

Permitting Update

- Provided written response to CDFW on the second administrative draft of the ITP on February 2.

Design Updates

LV Dam Expansion

- CCWD provided revised construction plan sheets to DSOD in response to minor comments.

Pumping Plant 1

- Continuing design work to wrap-up in progress design activities.

Transfer-Bethany Pipeline

- Preliminary work continues with respect to geotechnical analysis, right-of-way, alignment planning, permitting and the 30% design.

Risk Management

- CCWD and its consultants provided a Program Risk Status update presentation to the JPA Design Review Team on January 24.

LVE JPA Summary Schedule

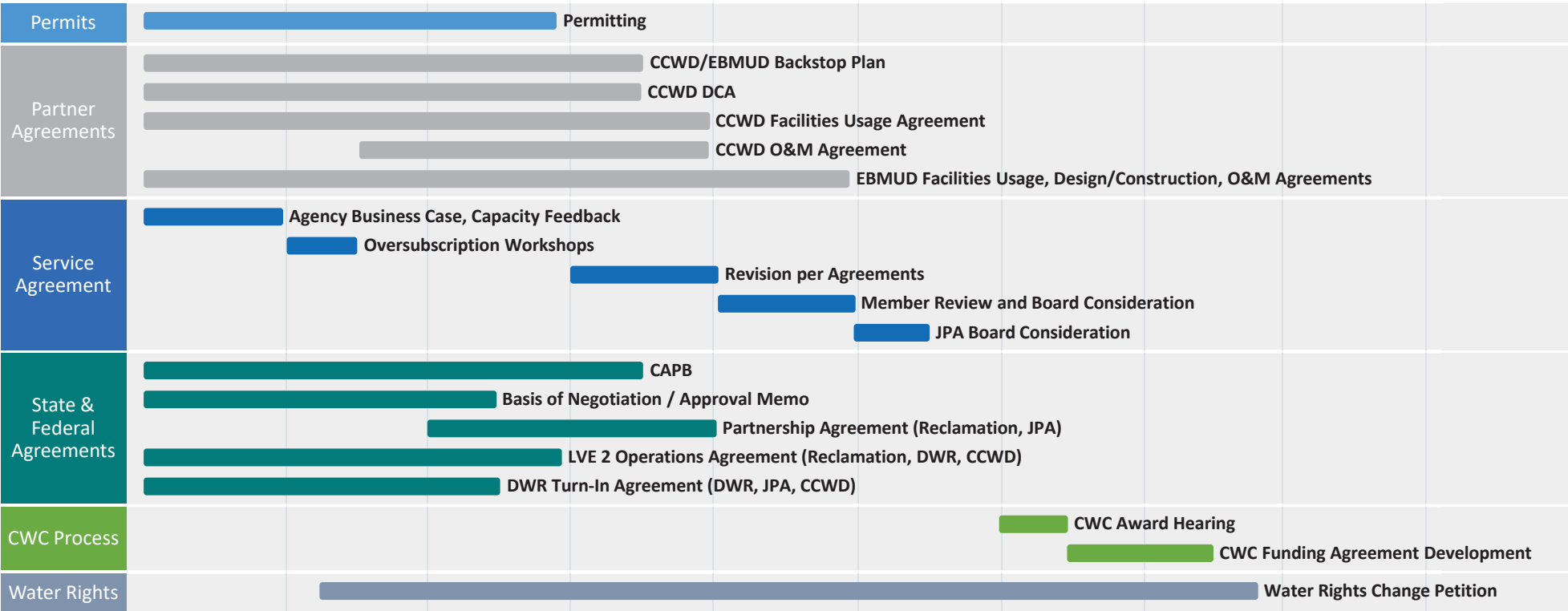
January 10, 2024



CWC Funding Agreement Signed
Estimated February 2025

2023 Nov Jan Mar May Jul Sep Nov Jan Mar May 2025

Today



Next Steps

- Implement Consultant Reductions *(pending BoD approval)*.
- Seek MPA 5 No- Cost Time Extension *(pending BoD approval)*.
- Manage Agreement Issues Resolution

ITEM 3.2: LVR JPA MAY BOARD MEETING RESCHEDULE

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

As a member of the California Association of Water Agencies (ACWA), the LVR JPA has maintained an important presence at both the fall and spring conferences. The upcoming Board of Directors meeting currently scheduled for May 8, 2024 conflicts with the 2024 Spring ACWA Conference. Staff would propose to coordinate with the Board for an alternative meeting date and time to accommodate the conflict and report back at the March Board meeting.

ALTERNATIVES:

The Board could determine to keep the May meeting as scheduled, and seek additional ways to accommodate the conflict.

FISCAL ANALYSIS:

None.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

None.

REPORTS

ITEM 4.2: EXECUTIVE DIRECTOR'S REPORT

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

Executive Management Team (EMT) Meetings Update – The Authority and CCWD Executive Management Teams continue to meet to further discuss and address the major Project agreements, along with any other outstanding critical path issues requiring coordination among the Authority and CCWD. The January 8 meeting agenda included coordination on the capital preservation strategy, an update on the Design and Construction Agreement small group discussions and future process, and overall agreement and project schedule. The next meeting is set for February 16.

2024 Mid-Pacific Water Users' Conference – The Executive Director attended the US Bureau of Reclamation Water Users' Conference held in Reno, NV from January 24-26. During the opening session following Commissioner Touton's address, Karl Stock, the new Director of the California-Great Basin Region, shared the Region's priorities, which included: 1) attracting and retaining a strong workforce; 2) ensuring operational aptitude and institutional preparedness for variable conditions; 3) making strategic investments in the future and to deliver contractual obligations, noting that the Bipartisan Infrastructure Law/WIIN Act funds offer a once in a lifetime opportunity; and, 4) promoting and maintaining science-based and adaptive management approaches to operations projects. On Wednesday evening, January 25, the Authority and CCWD co-hosted a dinner for Reclamation staff and Authority members attending the conference. The small event was well attended by Authority Members, Reclamation Region staff, and representatives from the Commissioner's Office and Denver policy office. Throughout the conference, the Executive Director and Authority representatives engaged in several meetings with Reclamation staff. For more information, see Item 4.2.2 below.

ACWA Federal Affairs Committee Meeting - The Executive Director attended the first meeting of the ACWA Federal Affairs Committee on January 31. Angela Ebner, Policy Advisor for Senator Padilla, provided an overview of the Senator's efforts to authorize a permanent Low-Income Water Assistance Program ("LIHWAP") to safeguard water affordability. This builds off the Bipartisan Infrastructure Law-authorized LIHWAP pilot program and consideration is being given to where the permanent program resides, under Health and Human Services or Environmental Protection Agency. ACWA's Executive Director Dave Eggerton discussed the upcoming Washington, DC Conference, February 27-29. ACWA staff provided an overview of the Committee's role, ACWA Code of Conduct, brief legislative and regulatory updates, ACWA Proposed Federal Affairs Committee 2024-2025 Priorities, and partner organization updates. The Proposed Committee Priorities, which include funding for water infrastructure and WIIN Act Storage Account, are mostly consistent with those from the previous year. Staff reported President Biden will conduct the State of the Union address on March 7. If Authority Members would like copies of the Committee packet, please inform Authority staff. See also 4.2.1 Federal Relations Report for additional updates.

Design and Construction Agreement (DCA) Update – A designated group of Authority Member Agency representatives and the JPA Executive Director and Program Manager met with CCWD on February 1 to continue discussions and negotiations on key terms of the DCA. A summary of the DCA meeting has been provided to the Authority’s DCA Ad Hoc Committee Chair while the small group discussions continue.

CCWD provided an initial draft of the DCA to the group members on January 30. Key Member Agency representatives are currently reviewing the draft and will meet the week of February 19 to consolidate comments and prioritize negotiating positions. The Authority remains focused on the budget and schedule and is working to minimize the time between DCA group sessions. The primary issue requiring further discussion is the Authority’s level of control and oversight over design and construction decisions commensurate with the significant financial investment being made by Member Agencies. Efforts have been made to address additional concerns around transparency, risk reduction, and risk sharing. Progress is being made in some areas, i.e. JPA review of construction documents, while creative proposals continue to be proffered to reach resolution on agreement terms. Additionally, efforts are underway to engage a facilitator should those services be required to assist the group with addressing potential impasse issues.

LVE Update to California Natural Resource Agency (CNRA) –In the Fall of 2023, CNRA Secretary Wade Crowfoot requested a Project progress update, which was rescheduled to February 1, 2024. The Executive Director and CCWD representatives met with the Secretary (virtually), Deputy Secretary Nancy Vogel, California Water Commission Executive Director Joe Yun and staff, and California Department of Fish and Wildlife (DFW) staff. The discussion centered on the Contract for the Administration of Public Benefit and the Incidental Take Permit (ITP) with DFW. This comes on the heels of the Member Agencies’ letter to DFW supporting CCWD’s counterproposal to the administrative draft ITP and DFW’s subsequent release of the second administrative draft. The Secretary focused his comments on the Governor’s support for the Los Vaqueros Reservoir Expansion Project and the critical need for getting water infrastructure projects built with Proposition 1 funds. The Secretary expressed his commitment to working with the Authority and its Member Agencies to see LVE succeed.

EXHIBITS/ATTACHMENTS:

- WSIP LVE Project Quarterly Report No. 22.



BOARD OF DIRECTORS

Ernesto A. Avila, P.E.

PRESIDENT

Antonio Martinez

VICE PRESIDENT

John A. Burgh

Connstance Holdaway

Patt Young

GENERAL MANAGER

Rachel Murphy, P.E.

January 30, 2024

Submitted Electronically to CWC@water.ca.gov

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

Subject: Submittal of the Water Storage Investment Program Quarterly Report No. 22 for the Los Vaqueros Reservoir Expansion Project

Dear Chair Swanson:

Contra Costa Water District is pleased to submit the Water Storage Investment Program Quarterly Report No. 22 for the Los Vaqueros Reservoir Expansion Project. The report provides an update on project status following the October 1, 2023 to December 31, 2023 quarter.

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

Sincerely,

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

Maureen Martin, Ph.D.
LVE Program Manager

MM/MD:wec

Enclosures

Water Storage Investment Program Quarterly Report

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

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

Project Information

Project Name:

Los Vaqueros Reservoir Expansion Project

Applicant Name:

Contra Costa Water District

Date:

1/30/2024

Reporting Period:

Quarterly Report No. 22 - October 1, 2023 to December 31, 2023

General Update and Key Issues

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

No issues or concerns were been identified during the reporting period that could affect completion of program requirements.

CCWD and JPA Member Agencies continue to make progress on environmental planning and engineering feasibility efforts in alignment the tasks in the WSIP Early Funding Agreement, which expired in December 2023, and on the tasks required to schedule a final award hearing for WSIP funding for the LVE Project.

JPA Member Agencies continue to develop independent business cases for their investment, which will be informed by final permits. Draft Contracts for the Administration of Public Benefits are being developed in coordination with JPA Member Agencies and partner state agencies.

JPA Member Agencies and US Bureau of Reclamation continue work on all aspects of federal interest and investment in the Project.

Items Required Prior to Scheduling a Final Award Hearing

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

1. Contracts for non-public cost share:

Status: Local cost share agreements were recently amended amongst project partners and extends into FY 2025. The Service Agreement between the JPA and the JPA Members is being developed to cover local share of project costs. The schedule for finalizing and executing the Service Agreement sets a target date for September 2024.

Estimated Completion Date: September 2024

Percent Complete: 72%

2. Contracts for administration of public benefits:

Status: Discussions continue with DWR and CDFW on individual project contract development. Drafts have been developed and negotiations expected to commence in first quarter of 2024.

Estimated Completion Date: June 2024

Percent Complete: 65%

3. Completed feasibility studies:

Status: Completed.

Estimated Completion Date: October 2021

Percent Complete: 100%

4. Final environmental documentation:

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

Estimated Completion Date: August 2020

Percent Complete: 100%

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

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

Estimated Completion Date: September 2024

Percent Complete: 73%

Items Required to Execute a Funding Agreement

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

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

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

No changes pending completion of the audit. At the inception of the program, CCWD submitted two years of financial statements to the CWC along with the WSIP Financial Management Systems Questionnaire. An update to the project cost estimate was completed in July 2023 suggesting a 10% increase above the June 2022 estimate. An update to the project schedule was started in November. Final project costs, schedule, and scope of work are currently in development.

Evidence of bilateral communications was provided in the WSIP application, and further pertinent evidence will be provided as communications between responsible agencies is initiated. CCWD and the JPA are not tribes and the project is not expected to impact tribal lands; thus, acquisition of a limited waiver of sovereign immunity is not applicable.

Status Update

Provide a status update for the following, as applicable:

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

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

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

4.2.1 FEDERAL RELATIONS REPORT



BERKELEY · WASHINGTON, D.C.



To: Board of Directors, *Los Vaqueros Reservoir Joint Powers Authority*
From: Natural Resource Results and Water and Power Law Group
RE: Board Report – February 2024

Appropriations

The federal government is still operating under two separate Continuing Resolutions (CRs). One of those CRs will expire on March 1st (this includes the Energy and Water appropriations bill which funds the Bureau of Reclamation) and the 2nd CR will expire on March 8th.

Appropriators have reached agreement on 302(b) allocations which are essentially the amount of funding that each of the twelve appropriations bills will receive. This number then gets spread among the various agencies and programs that an appropriations bill funds. While the 302(b) allocations have not been made public yet, appropriators have made comments in the press indicating that they are looking at minor cuts compared to FY23 which many of them welcome given the severe cuts that the House was trying to pass last year and earlier this year.

We expect the California Republican delegation to push for inclusion of certain provisions from H.R. 215, the WATER for California Act (Rep. Valadao) in the final Energy and Water bill. The House passed Energy and Water bill included the entirety of H.R. 215 but was opposed and never taken up by the Democratic Senate – a scenario that is likely to plan itself out again during negotiations on the final FY24 Energy and Water bill.

The text of H.R. 215 is attached for reference.

Reclamation Personnel

John Watts – longtime water staffer for former Senator Feinstein – has joined Reclamation in the Commissioner’s office as a Senior Advisor. His understanding of the complexities of California water policy, as well as his connections to water users and NGOs alike should add significant value to the Commissioner in her decision-making on California related matters.

118TH CONGRESS
1ST SESSION

H. R. 215

To provide long-term water supply and regulatory reliability to drought-stricken California, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 9, 2023

Mr. VALADAO (for himself, Mr. MCCARTHY, Mr. CALVERT, Mr. DUARTE, Mr. MIKE GARCIA of California, Mr. ISSA, Mr. KILEY, Mrs. KIM of California, Mr. LAMALFA, Mr. MCCLINTOCK, Mr. OBERNOLTE, and Mrs. STEEL) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To provide long-term water supply and regulatory reliability to drought-stricken California, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Working to Advance
5 Tangible and Effective Reforms for California Act” or the
6 “WATER for California Act”.

7 **SEC. 2. TABLE OF CONTENTS.**

8 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. Definitions.

TITLE I—CVP AND SWP OPERATIONS

Sec. 101. Operation of the CVP and SWP.

Sec. 102. Operations and reviews.

Sec. 103. Application of State laws.

Sec. 104. Reconsultation of NOAA Biological Opinion and FWS Biological Opinion.

Sec. 105. Sunset.

Sec. 106. Consultation on coordinated operations.

TITLE II—ALLOCATIONS FOR SACRAMENTO VALLEY CONTRACTORS

Sec. 201. Definitions.

Sec. 202. Allocations of water.

Sec. 203. Protection of refuge, municipal and industrial and other contractors.

Sec. 204. Other contractors.

TITLE III—INFRASTRUCTURE

Sec. 301. Shasta Reservoir enlargement project.

Sec. 302. Water supply plan; projects.

Sec. 303. Conservation fish hatcheries.

Sec. 304. Storage; duration.

Sec. 305. Shasta Dam enlargement.

TITLE IV—CVPIA ACTIONS

Sec. 401. CVPIA restoration actions.

1 **SEC. 3. DEFINITIONS.**

2 In this Act, the following definitions apply:

3 (1) CVP.—The term “CVP” means the Central
4 Valley Project.

5 (2) CVP CONTRACTOR.—The term “CVP con-
6 tractor” means any public water agency, water user
7 organization, or person that has entered into a con-
8 tract with the United States for water service from
9 the CVP, whether in the form of a water service
10 contract, repayment contract, water rights settle-
11 ment contract, exchange contract, or refuge con-
12 tract.

1 (3) FWS BIOLOGICAL OPINION.—The term
2 “FWS Biological Opinion” means the United States
3 Fish and Wildlife Service “Biological Opinion for the
4 Reinitiation of Consultation on the Coordinated Op-
5 erations of the Central Valley Project and State
6 Water Project” (Service File No. 08FBTD00–2019–
7 F–0164) signed on October 21, 2019.

8 (4) NOAA BIOLOGICAL OPINION.—The term
9 “NOAA Biological Opinion” means the National
10 Oceanic and Atmospheric Administration Fisheries
11 “Biological Opinion on the Long-term Operation of
12 the Central Valley Project and the State Water
13 Project” (Consultation Tracking Number: WCRO–
14 2016–00069) signed on October 21, 2019.

15 (5) PREFERRED ALTERNATIVE.—The term
16 “Preferred Alternative” means the Alternative 1
17 (Preferred Alternative), as described in the Final
18 Environmental Impact Statement on the Reinitiation
19 of Consultation on the Coordinated Long-Term Op-
20 eration of the Central Valley Project and the State
21 Water Project, issued by the Bureau of Reclamation,
22 and dated December 2019.

23 (6) SWP.—The term “SWP” means the Cali-
24 fornia State Water Project.

1 (7) SWP CONTRACTOR.—The term “SWP con-
 2 tractor” means a public agency that has entered into
 3 a long-term water supply contract with the Cali-
 4 fornia Department of Water Resources for water
 5 service from the SWP.

6 **TITLE I—CVP AND SWP** 7 **OPERATIONS**

8 **SEC. 101. OPERATION OF THE CVP AND SWP.**

9 (a) CONGRESSIONAL DIRECTION REGARDING CVP
 10 AND SWP OPERATIONS.—The CVP and the SWP shall
 11 be operated in accordance with the Preferred Alternative
 12 and FWS Biological Opinion and NOAA Biological Opin-
 13 ion.

14 (b) APPLICATION OF LAWS AND REGULATIONS TO
 15 OTHERS.—Operation of the CVP and SWP shall proceed
 16 pursuant to subsection (a) except to the extent changes
 17 to operations are undertaken pursuant to one or more
 18 agreements, which are voluntarily entered into, approved,
 19 and implemented by CVP contractors, for operations of
 20 the CVP, and SWP contractors, for operations of the
 21 SWP, with all applicable Federal departments and the
 22 State of California, including any agency or board of the
 23 State of California.

24 (c) COSTS.—No cost, including water supply, finan-
 25 cial, mitigation-related, or otherwise, associated with the

1 implementation of any agreement under subsection (b)
2 shall be imposed by any Federal department or agency or
3 the State of California, including any agency or board of
4 the State of California, directly or indirectly on any CVP
5 contractor, SWP contractor, or any other person or entity,
6 unless such costs are incurred on a voluntary basis.

7 (d) ENDANGERED SPECIES ACT.—Notwithstanding
8 subsection (b), implementation of subsection (a) shall not
9 conflict with the FWS Biological Opinion and the NOAA
10 Biological Opinion.

11 (e) NATIVE SPECIES PROTECTION.—The State of
12 California shall not impose any bag, catch, or size restric-
13 tion or limit on the take or harvest of striped bass or any
14 species of black bass, including largemouth bass,
15 smallmouth bass, and spotted bass, that occupy the Sac-
16 ramento-San Joaquin Rivers Delta or its tributaries.

17 **SEC. 102. OPERATIONS AND REVIEWS.**

18 In carrying out section 101(a), the Secretary of the
19 Interior and the Secretary of Commerce shall implement
20 their statutory authorities in a manner that improves
21 water supply reliability and enables the CVP and SWP
22 to provide the maximum quantity of water supplies prac-
23 ticable to CVP agricultural, municipal, and industrial con-
24 tractors, water service or repayment contractors, water
25 rights settlement contractors, exchange contractors, ref-

1 uge contractors, and SWP contractors, in accordance with
 2 the Preferred Alternative, NOAA Biological Opinion, and
 3 FWS Biological Opinion.

4 **SEC. 103. APPLICATION OF STATE LAWS.**

5 (a) **REDUCED WATER SUPPLY.**—If, as a result of the
 6 application of applicable State law or regulation, the State
 7 of California (including any agency or board of the State
 8 of California) alters operation of the SWP in a manner
 9 that directly or indirectly results in reduced water supply
 10 to the SWP as compared with the water supply available
 11 under the Preferred Alternative, and as a result, CVP
 12 yield is greater than it otherwise would have been under
 13 the Preferred Alternative, then that additional yield shall
 14 be made available to the SWP for delivery to SWP Con-
 15 tractors to offset that reduced water supply. If it is nec-
 16 essary to reduce water supplies for any authorized uses
 17 of the CVP or CVP Contractors to make available to the
 18 SWP that additional yield, such reductions shall be ap-
 19 plied proportionately to those authorized uses or CVP con-
 20 tractors that benefit from that increased yield.

21 (b) **NO RESTRICTION OF CERTAIN WATER**
 22 **RIGHTS.**—The State of California (including any agency
 23 or board of the State of California) shall not restrict the
 24 exercise of any water right obtained pursuant to State law,
 25 including but not limited to a pre-1914 appropriative right

1 or riparian right in order to offset any impact resulting
 2 from the implementation of this title on any species af-
 3 fected by operations of the CVP or the SWP.

4 **SEC. 104. RECONSULTATION OF NOAA BIOLOGICAL OPIN-**
 5 **ION AND FWS BIOLOGICAL OPINION.**

6 (a) REQUIREMENT FOR RECONSULTATION.—

7 (1) REQUIREMENT.—Neither the Secretary of
 8 the Interior, acting through the Commissioner of
 9 Reclamation, nor the Secretary of Commerce or
 10 their designees shall commence, complete, or request
 11 reinitiation of consultation on the coordinated long-
 12 term operation of the Central Valley Project and the
 13 State Water Project that will result in changes to or
 14 the replacement of the documents listed in para-
 15 graph (2) unless—

16 (A) more than 75 percent of California has
 17 experienced 4 consecutive years of D3 or D4
 18 level drought, as defined by the U.S. Drought
 19 Monitor;

20 (B) the Commissioner of Reclamation iden-
 21 tifies one specific factor or combination of fac-
 22 tors under section 402.16 of title 50, Code of
 23 Federal Regulations; and

24 (C) not fewer than 120 days before offi-
 25 cially commencing or requesting reinitiation, the

1 Secretary of the Interior notifies the Committee
2 on Natural Resources of the House of Rep-
3 resentatives and Committee on Energy and
4 Natural Resources of the Senate, in writing,
5 of—

6 (i) the intent to commence or request
7 reinitiation under this section; and

8 (ii) the detailed justification for the
9 identification of the specific factor or com-
10 bination of factors under section 402.16 of
11 title 50, Code of Federal Regulations, that
12 was identified to satisfy the requirement in
13 subparagraph (B).

14 (2) DOCUMENTS.—The documents referred to
15 in paragraph (1) are the following:

16 (A) The FWS Biological Opinion.

17 (B) The NOAA Biological Opinion.

18 (C) The Record of Decision for the Reiniti-
19 ation of Consultation on the Coordinated Long-
20 Term Modified Operations of the Central Valley
21 Project and State Water Project, signed on
22 February 18, 2020.

23 (b) APPLICABLE PROCEDURES AND REVIEW.—For
24 the purposes of this Act, before reinitiating consultation
25 on the Long-Term Operation of the CVP and SWP, a re-

1 quest by the Secretary of the Interior, the Secretary of
2 the Commerce, or any other Federal employee, to reini-
3 tiate consultation shall be made in writing and considered
4 a rule under section 551 of title 5, United States Code,
5 and subject to the requirements of sections 801 through
6 808 of that title.

7 (c) COOPERATION.—In implementing this section, the
8 Secretary of the Interior and the Secretary of Commerce
9 shall comply with requirements included in section 4004
10 of Public Law 114–322.

11 (d) EXCLUSION.—Notwithstanding subsection (b), in
12 implementing this section, section 801(b)(2) of title 5,
13 United States Code, shall not apply.

14 **SEC. 105. SUNSET.**

15 Sections 101 through 104 shall have no force or ef-
16 fect on and after the date that is 7 years after the date
17 of the enactment of this Act.

18 **SEC. 106. CONSULTATION ON COORDINATED OPERATIONS.**

19 The Water Infrastructure Improvements for the Na-
20 tion Act (Public Law 114–322) is amended—

21 (1) in section 4004(a)—

22 (A) in paragraph (1), by inserting “or pro-
23 posed action” after “biological assessment,”;

24 (B) in paragraph (2), by inserting “or pro-
25 posed action” after “biological assessment,”;

1 (C) by redesignating paragraphs (3)
2 through (6) as paragraphs (4) through (7), re-
3 spectively;

4 (D) after paragraph (2), by inserting the
5 following new paragraph:

6 “(3) receive a copy of the proposed action and
7 have the opportunity to review that document and
8 provide comment to the action agency, which com-
9 ments shall be afforded due consideration during de-
10 velopment;”; and

11 (E) in paragraph (7), as redesignated by
12 subparagraph (C) of this paragraph—

13 (i) in the matter preceding subpara-
14 graph (A), by inserting “action agency pro-
15 poses a proposed action or” before “the
16 consulting agency”;

17 (ii) in subparagraph (A), by inserting
18 “proposed action or” before “alternative
19 will”; and

20 (iii) in subparagraph (B), by striking
21 “alternative actions” and insert “actions
22 or alternatives”; and

23 (2) in section 4013, by deleting “section 4004,
24 which shall expire 10 years after the date of its en-

1 actment;” and inserting “section 4004, which shall
2 expire on December 16, 2033;”.

3 **TITLE II—ALLOCATIONS FOR**
4 **SACRAMENTO VALLEY CON-**
5 **TRACTORS**

6 **SEC. 201. DEFINITIONS.**

7 In this title, the following definitions apply:

8 (1) The term “existing CVP agricultural water
9 service or repayment contractor within the Sac-
10 ramento River Watershed” means any water service
11 or repayment contractor within the Shasta, Trinity,
12 or Sacramento River division of the CVP that has
13 in effect a water service or repayment contract on
14 the date of enactment of this title that provides
15 water for irrigation.

16 (2) The terms “Above Normal”, “Below Nor-
17 mal”, “Dry”, and “Wet”, with respect to a year,
18 have the meanings given those terms in the Sac-
19 ramento Valley Water Year Type (40–30–30) Index.

20 **SEC. 202. ALLOCATIONS OF WATER.**

21 Subject to section 203, and notwithstanding any
22 changes to operations of the CVP or SWP voluntarily
23 agreed to, approved, and implemented by CVP contrac-
24 tors, the Secretary of the Interior shall make every reason-
25 able effort in the operation of the CVP to allocate water

1 provided for irrigation purposes to each existing CVP agri-
2 cultural water service contractor within the Sacramento
3 River Watershed in accordance with the following:

4 (1) Not less than 100 percent of the contract
5 quantity of the existing CVP agricultural water serv-
6 ice contractor within the Sacramento River Water-
7 shed in a Wet year.

8 (2) Not less than 100 percent of the contract
9 quantity of the existing CVP agricultural water serv-
10 ice contractor within the Sacramento River Water-
11 shed in an Above Normal year.

12 (3) Not less than 100 percent of the contract
13 quantity of the existing CVP agricultural water serv-
14 ice contractor within the Sacramento River Water-
15 shed in a Below Normal year that is preceded by an
16 Above Normal or Wet year.

17 (4) Not less than 50 percent of the contract
18 quantity of the existing CVP agricultural water serv-
19 ice contractor within the Sacramento River Water-
20 shed in a Dry year that is preceded by a Below Nor-
21 mal, Above Normal, or Wet year.

22 (5) In any other year not identified in any sub-
23 sections (a) through (d), not less than twice the allo-
24 cation percentage to south-of-Delta CVP agricultural
25 water service contractors, up to 100 percent.

1 **SEC. 203. PROTECTION OF REFUGE, MUNICIPAL AND IN-**
2 **DUSTRIAL AND OTHER CONTRACTORS.**

3 Nothing in section 202 shall—

4 (1) adversely affect any protections for the envi-
5 ronment, including the obligation of the Secretary of
6 the Interior to make water available to managed
7 wetlands pursuant to section 3406(d) of the Central
8 Valley Project Improvement Act (title XXXIV of
9 Public Law 102–575; 106 Stat. 4722);

10 (2) adversely affect any obligation of the Sec-
11 retary of the Interior or the Secretary of Commerce
12 under the FWS Biological Opinion or the NOAA Bi-
13 ological Opinion;

14 (3) modify any provision of a water service con-
15 tract that addresses municipal or industrial water
16 shortage policies of the Secretary of the Interior;

17 (4) affect or limit the authority of the Secretary
18 of the Interior to adopt or modify municipal and in-
19 dustrial water shortage policies;

20 (5) constrain, govern, or affect, directly or indi-
21 rectly, the operations of the American River division
22 of the CVP or any deliveries from that division or
23 a unit or facility of that division; or

24 (6) affect any allocation to a CVP municipal or
25 industrial water service contractor by increasing or
26 decreasing allocations to the contractor, as compared

1 to the allocation the contractor would have received
2 absent section 202.

3 **SEC. 204. OTHER CONTRACTORS.**

4 Nothing in section 202 shall—

5 (1) affect the priority of any individual or entity
6 with a Sacramento River settlement contract over
7 water service or repayment contractors;

8 (2) affect the United States ability to deliver
9 water to the San Joaquin River exchange contrac-
10 tors from the Sacramento River and the Delta via
11 the Delta-Mendota Canal or modify or amend the
12 rights and obligations under the Purchase Contract
13 between Miller and Lux and the United States and
14 the Second Amended Exchange Contract between
15 the United States, Department of the Interior, Bu-
16 reau of Reclamation and Central California Irriga-
17 tion District, San Luis Canal Company, Firebaugh
18 Canal Water District and Columbia Canal Company;

19 (3) affect the allocation of water to Friant divi-
20 sion contractors of the CVP;

21 (4) result in the involuntary reduction in con-
22 tract water allocations to individuals or entities with
23 contracts to receive water from the Friant division;

24 (5) result in the involuntary reduction in water
25 allocations to refuge contractors; or

1 (6) authorize any actions inconsistent with
2 State water rights law.

3 **TITLE III—INFRASTRUCTURE**

4 **SEC. 301. SHASTA RESERVOIR ENLARGEMENT PROJECT.**

5 Section 40902(a)(2) of the Infrastructure Investment
6 and Jobs Act (Public Law 117–58) is amended—

7 (1) in subparagraph (B)—

8 (A) in the matter preceding clause (i), by
9 striking “this Act, except for any project for
10 which—” and inserting “this Act; or”; and

11 (B) by striking clauses (i) and (ii); and

12 (2) in subparagraph (C), by striking “(except
13 that projects described in clauses (i) and (ii) of sub-
14 paragraph (B) shall not be eligible)”.

15 **SEC. 302. WATER SUPPLY PLAN; PROJECTS.**

16 (a) PLAN.—Not later than 180 days after the date
17 of the enactment of this Act, the Commissioner of Rec-
18 lamation shall develop a water deficit report, which shall
19 identify—

20 (1) projected water supply shortages in the
21 State of California for irrigation water service, mu-
22 nicipal and industrial water service, water supply for
23 wildlife refuges supplied by the CVP or the SWP;
24 and

1 (2) infrastructure projects or actions which, if
2 taken, would—

3 (A) significantly reduce or eliminate the
4 projected water supply shortage; or

5 (B) fulfill water allocations consistent with
6 agricultural, municipal and industrial contrac-
7 tors, water service or repayment contractors,
8 water rights settlement contractors, exchange
9 contractors, and SWP contractors with water
10 delivery contractors on the CVP and SWP.

11 (b) REPORT TO CONGRESS.—The Commissioner of
12 Reclamation shall provide a report described in subsection
13 (a) to the House Committee on Natural Resources and
14 the Senate Committee on Energy and Natural Resources
15 upon its completion.

16 **SEC. 303. CONSERVATION FISH HATCHERIES.**

17 Section 4010(b)(5) of the Water Infrastructure Im-
18 provements for the Nation Act (Public Law 114–322) is
19 amended by adding at the end the following:

20 “(D) SEMI-ANNUAL REPORT.—The Sec-
21 retary of the Interior and the Secretary of
22 Commerce shall submit to the Committee on
23 Natural Resources of the House of Representa-
24 tives and Committee on Energy and Natural
25 Resources of the Senate semi-annual reports

1 that detail activities carried out under this
2 paragraph.”.

3 **SEC. 304. STORAGE; DURATION.**

4 (a) STORAGE.—Section 4007 of the Water Infra-
5 structure Improvements for the Nation Act (Public Law
6 114–322) is amended—

7 (1) in subsection (b)(1), by striking “or any
8 public agency organized pursuant to State law” and
9 inserting “any public agency organized pursuant to
10 State law, or any stakeholder”; and

11 (2) in subsection (i), by striking “January 1,
12 2021” and inserting “January 1, 2028”.

13 (b) DURATION.—Section 4013 of the Water Infra-
14 structure Improvements for the Nation Act (Public Law
15 114–322) is amended—

16 (1) in paragraph (1), by striking “and”;

17 (2) by redesignating paragraph (2) as para-
18 graph (3); and

19 (3) by inserting after paragraph (1) the fol-
20 lowing:

21 “(2) section 4007, which (except as provided in
22 paragraph (3)), shall expire on December 31, 2028;
23 and”.

1 **SEC. 305. SHASTA DAM ENLARGEMENT.**

2 (a) FUNDING.—In accordance with section 4007 of
 3 the Water Infrastructure Improvements for the Nation
 4 Act (Public Law 114–322), and as recommended by the
 5 Secretary in letters dated February 13, 2019; June 22,
 6 2020; and December 3, 2020; funds made available in the
 7 Water and Related Resources account for the Bureau Rec-
 8 lamation in Acts of appropriation for fiscal years 2017,
 9 2018, 2019, 2020, and 2021 shall be made available to
 10 the Shasta Dam and Reservoir Enlargement Project.

11 (b) CLARIFICATION.—No provision of State law shall
 12 preclude or otherwise prevent any public water agency, in-
 13 cluding a public agency of the State, that contracts for
 14 the delivery of CVP water from assisting or cooperating
 15 with, whether by loan, grant, license, or otherwise, the
 16 planning and construction of any project undertaken by
 17 the Bureau of Reclamation to enlarge Shasta Dam.

18 **TITLE IV—CVPIA ACTIONS**

19 **SEC. 401. CVPIA RESTORATION ACTIONS.**

20 (a) REFUGE WATER SUPPLY PROGRAM.—Not later
 21 than two years after the date of enactment of this Act,
 22 the Secretary of the Interior shall complete the refuge
 23 water supply program under section 3406(d) of the Cen-
 24 tral Valley Project Improvement Act (title XXXIV of Pub-
 25 lic Law 102–575; 106 Stat. 4722) and shall, within that
 26 two-year period, give priority to completing the refuge

1 water supply program when making funding decisions
2 from the Central Valley Project Restoration Fund estab-
3 lished under section 3407 of the Central Valley Project
4 Improvement Act (106 Stat. 4726), the Infrastructure In-
5 vestment and Jobs Act (Public Law 117–25), the Land
6 and Water Conservation Fund Act (Public Law 88–578),
7 and other sources of funding.

8 (b) RESTORATION ACTIONS DEEMED COMPLETE.—
9 Upon completion of the refuge water supply program pur-
10 suant to subsection (a), or September 30, 2025, whichever
11 occurs first, the Secretary of the Interior shall deem com-
12 plete the fish, wildlife, and habitat mitigation and restora-
13 tion actions mandated under section 3406 of the Central
14 Valley Project Improvement Act (title XXXIV of Public
15 Law 102–575; 106 Stat. 4714).

○

4.2.2 JANUARY 2024 ENGAGEMENT ACTIVITIES WITH RECLAMATION

The JPA, CCWD staff, and consultants are continuing to engage with Reclamation to advance several required agreements, approvals, and permits for the Project construction. Key engagement activities include:

- Conducted a technical session with Reclamation during the CVP Water User Conference in Reno Nevada on January 25, 2024. Reclamation participants included regional leadership, representatives from Denver’s Policy group, and representatives from the Commissioner’s office in DC. The meeting discussed Reclamation’s ongoing work to better define the Federal benefits in the Project to advance the development of the Partnership Agreement.
- Working with Reclamation staff to prepare for a follow-up technical coordination meeting on Federal benefits in mid-February.
- Continue technical coordination with Reclamation to develop the term sheet for the Partnership Agreement.
- Continuing to track development of Reclamation’s Basis of Negotiation, which will allow initiation of formal negotiations on the Partnership agreements.

Monthly List of Authority Contracts Entered into by Executive Director

January 2024

<u>Contracts</u>	<u>Amount</u>	<u>Purpose</u>
None.		
Total		

ITEM 4.4: COMMITTEE MEETING SUMMARIES

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

None.

ALTERNATIVES:

Not applicable.

FISCAL ANALYSIS:

Not applicable.

ENVIRONMENTAL REQUIREMENTS:

Not applicable.

EXHIBITS/ATTACHMENTS:

- Draft January 22, 2024 Finance Committee Meeting Summary.



SUMMARY OF REGULAR MEETING OF FINANCE COMMITTEE

January 22, 2024 – 10:00 a.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 [Director Tognolini participated remotely through both audio and video from a different address in accordance with Government Code Section 54953(f)(2)(A)(i) due to just cause resulting from a contagious illness; Director Tognolini confirmed there were no other individuals 18 years of age or older who were present in his remote location]

Chair Anthea Hansen called the meeting to order at 10:04 a.m. Authority staff and 16 members of the public also attended the meeting.

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

1.1 December 5, 2023 Finance Committee Meeting Summary. The draft summary of the December 5, 2023 Finance Committee meeting was presented for the Committee's review and discussion. Chair Hansen called for comments from members of the Committee and for public comments; none were received. The draft summary was approved by the Committee, as presented.

1.2 Draft Treasurer's Report

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

Jacqueline Harris, Program Controls Manager, presented the draft Treasurer's Reports for the months ending November 30, 2023 and December 31, 2023. She stated all Member payments for the first installment under Multi-Party Cost Share Agreement Amendment No. 5 have been received. She further reported that cash on hand as of November 30 was \$1,727,091 and cash on hand as of December 31 was \$1,521,638. A payment in the amount of \$2,071,077 was received from the Bureau of Reclamation in December 2023.

Committee Member Sethy asked that a line item be added to the Treasurer’s Report to reflect WIIN Act payments received from the Bureau of Reclamation in order to provide clarity on the source of monies received under the WIIN Act. Committee Member Eisenberg suggested that receivables from the Bureau of Reclamation could be marked with an asterisk. Ms. Harris advised that can be done in future reporting. Ms. Harris further stated that a revised format for the Treasurer’s Report will be used for the January report, to be presented at the February Finance Committee meeting.

Chair Hansen called for comments from members of the Committee and for public comments; none were received. The Treasurer’s Reports for the months ending November 30, 2023 and December 31, 2023 were approved as presented.

1.3 Summary of Invoices

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

Ms. Harris reviewed the summary of the Authority’s invoices for November 2023, totaling \$205,453.69, and December 2023, totaling \$190,429.97. Ms. Harris reviewed the various invoices that were paid in those months and noted the Authority’s bank balance at JP Morgan Chase was \$1,727,091 as of November 30, 2023 and \$1,521,638 as of December 31, 2023.

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

1.4 LVR JPA Capital Preservation Strategy Update. Chuck Gardner, Program Manager, presented a Capital Preservation Strategy update. He noted the Authority is projecting a schedule delay resulting from the delays in developing the various Project agreements. Although the schedule is still under review with the Members, staff has developed several potential scenarios for the Finance Committee to consider in order to ensure sufficient interim funding for Project activities through the end of the 2024 fiscal year and into the 2025 fiscal year. Mr. Gardner then presented an overview of the various options for discussion, which included reducing the Authority’s burn rate by approximately 18% through adjustments to consultants’ work and reducing CCWD’s burn rate by approximately 36% by delaying design work on various Project components. Mr. Gardner further stated some possible resequencing of construction activities is also being investigated. Lastly, Mr. Gardner reviewed four alternative scenarios to reduce consultant costs and to reduce Authority committee meeting frequency, along with the impact those respective combinations would have on overall costs.

Committee Member Tognolini asked for a clarification on slide 12 “Reductions and Funding Implications” as to whether the stated reductions were only related to reducing the frequency of Finance Committee meetings or if those reductions related to all meetings of Authority committees. Mr. Gardner clarified those reductions applied to all public-noticed committees, not just the Finance Committee.

Committee Member Sethy believed Scenario 2 was the best choice, to have consultant reductions, but no committee meeting reductions. Committee Member Eisenberg requested that a cash flow statement be prepared and provided to the Finance Committee and stated her concern in

making any cuts, which will likely result in increased risks of higher costs in the future. She also inquired about possible ways to increase inflows to the Authority through additional federal funding or a bridge loan.

Committee Member Tognolini noted Authority staff have already looked into ways to bring in more revenue and he is comfortable with either Scenario 1 (both consultant cost reductions and committee meeting frequency reductions) or Scenario 2. However, he stated action should be taken soon so the savings can be realized as promptly as possible. Chair Hansen noted she is leaning towards Scenario 2. Mr. Gardner stated that it may be possible to reduce committee meeting expenses by simply not holding a meeting if there were not sufficient items to discuss, even without formally adjusting the meeting schedule.

The Committee reached consensus among Chair Hansen and Committee Members Sethy and Tognolini to proceed with Scenario 2 as a recommendation to the full Board, with the cancellation of any committee meetings that are not necessary. Committee Member Eisenberg noted she is in favor of Scenario 4 — no consultant reductions and no meeting reductions, and that Scenario 2 is her second choice.

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

1.5 LVR JPA Proposed Program Management Contract Amendment. Taryn Ravazzini, Executive Director, advised that as reported at the Authority's January 10, 2024 Board meeting, the Project is experiencing delays related to the development of various Project agreements. The program management team's contracted scope assumed completion of these agreements in December 2023. The program management team has worked closely with the Members to develop a detailed schedule which estimates that construction funding will not be secured until February 2025. As a result of the near-term delay, additional program management support will be needed to work on the Project agreements throughout the current fiscal year. Staff is presenting a proposed amendment to move \$250,000 that had been budgeted for separate agreement support to the program management team's line item and to amend the program management team's contract amount by that \$250,000. Of that amount, \$150,000 would be allocated to the Hallmark Group's administrative and contract support work and the other \$100,000 would be allocated to Khadam Consulting for agreement development services. The proposed amendment does not include any change in scope of services. Ms. Ravazzini is requesting the Finance Committee recommend approval of the proposed amendment to the Authority's Board of Directors for consideration at its February 14, 2024 meeting.

Chair Hansen asked whether the change in allocation is limited to the 2024 fiscal year, which will end on June 30, 2024. Mr. Gardner stated the amendment is limited to the 2024 fiscal year. Committee Member Sethy stated he supports the proposed amendment and he particularly views Mr. Khadam's work as extremely critical to the Project and the completion of the Service Agreement. Chair Hansen and Committee Members Eisenberg and Tognolini also stated their support for the proposed amendment. Committee Member Tognolini asked if the adjustment had been factored into the Capital Preservation Strategy and Ms. Ravazzini stated it had been included in the Capital Preservation Strategy calculations.

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

1.6 LVE JPA 2025/2026 FY Draft Budget Review. Executive Director Ravazzini then began the discussion of the initial draft of the Fiscal Year 2025 (FY25) budget. She stated staff continues to coordinate with Contra Costa Water District in developing the Authority’s FY25 Budget. Program Controls Manager Jacqueline Harris then provided an overview of the FY25 budget, including sources and uses of funds totaling \$11,550,000. That budget amount represents a 41% decrease from the FY24 Budget.

Ms. Harris noted the FY25 Budget is highly dependent on maintaining schedule and achieving key milestones required to secure financing to initiate construction. After completion of key milestones, the FY25 Budget would require Board approved adjustments for design, construction and land acquisition. Ms. Harris further stated that to fund the FY2025 Budget, if there was no carryover of unused funds from the FY 2024 budget, each Member would need to contribute \$1.65 million.

Committee Member Sethy requested a mid-year budget review to look at the second half of FY2025. Committee Member Eisenberg referred to the “Use of Funds” slide noting a total of \$8,415,000 for CCWD services and labor and inquired whether it is possible to delay payment of those amounts, including with interest to be paid to CCWD. Ms. Harris advised that postponing payment has been discussed with CCWD, but nothing has been agreed to.

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

1.7 WIFIA Update. Program Controls Manager Harris reported that in December 2023, Executive Director Ravazzini appointed her as the Authority’s WIFIA Application Point of Contact. Ms. Harris reported the Authority recently submitted responses to nine of twelve questions posed by the EPA (the other three questions were not ripe for answering at this point due to the delay in developing the Project agreements). At this time, the Authority’s application is deemed complete and is moving forward with the EPA and will only require additional efforts from Authority staff as may be requested by the EPA Manager. A completed application protects the Authority from potential exposure to future EPA policy revisions that may affect the Project and allows the EPA to proceed in allocating the necessary funding required for the Project.

The Authority has also requested confirmation from EPA that the Project is not subject to the Buy America, Build America Act (“BABAA”) as project design planning was initiated prior to May 14, 2022 effective date of the BABAA. The confirmation will come in the form of a Decision Memorandum from the EPA after it has reviewed the documentation the Authority has provided.

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

FUTURE AGENDA ITEMS:

- Report on Capital Preservation Study

The meeting adjourned at 11:59 a.m.

James D. Ciampa

James D. Ciampa, General Counsel