



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY  
AGENDA**

Regular Meeting of the Board of Directors  
March 13, 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

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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](mailto: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](http://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  
Doug Linney, Alternate Director, East Bay Municipal Utility District  
Ricardo Ortega, Alternate Director, Grassland Water District  
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority  
Richard Santos, Alternate Director, Santa Clara Valley Water District  
Sandy Figuers, Alternate Director, Zone 7 Water Agency  
TBD, Alternate Director – Ex Officio, Department of Water Resources

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

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

**CONSENT CALENDAR**

- 1.1 Approval of Minutes from February 14, 2024 Board of Directors Meeting**
- 1.2 Treasurer’s Report Month Ended January 31, 2024**

**ACTION ITEMS**

- 2.1 Adoption of Resolution No. 3-24-01 Approving Renewal of Authority Insurance**

**DISCUSSION ITEMS**

- 3.1 Fiscal Year 25 Budget Approach Overview**
- 3.2 Program Management Update**
  - Budget & Schedule**

- **Agreements**
- **Design & Permitting**

## **FUTURE AGENDA ITEMS**

## **REPORTS**

### **4.1 Directors**

### **4.2 Executive Director**

#### **4.2.1 Federal Relations Report**

#### **4.2.2 February 2024 Engagement Activities with Reclamation**

### **4.3 General Counsel**

### **4.4 Committee Meeting Summaries**

## **ADJOURNMENT**

## **2024 LVR JPA MEETING DATES**

### **2024 Board of Directors Meetings (2nd Wednesday of the Month)**

April 10, 2024	9:30am
May 2024	TBD
June 12, 2024	9:30am
July 10, 2024	9:30am
August 14, 2024	9:30am
September 11, 2024	9:30am
October 9, 2024	9:30am
November 13, 2024	9:30am
December 11, 2024	9:30am

### **2024 Operations and Engineering Committee (3rd Thursday of the Month)**

March 21, 2024	10:00am
April 18, 2024	10:00am
May 16, 2024	10:00am
June 20, 2024	10:00am
July 18, 2024	10:00am
August 15, 2024	10:00am
September 19, 2024	10:00am
October 17, 2024	10:00am
November 21, 2024	10:00am
December 19, 2024	10:00am

### **2024 Finance Committee Meetings (4th Thursday of the Month)**

<del>March 28, 2024</del>	(Cancelled)
April 25, 2024	1:00pm
May 23, 2024	1:00pm
June 27, 2024	1:00pm
July 25, 2024	1:00pm
August 22, 2024	1:00pm
September 26, 2024	1:00pm
October 24, 2024	1:00pm
November 21, 2024	1:00pm
December 2024	TBD

### **2024 Communications and Outreach (4th Wednesday of Every Other Month)**

April 24, 2024	10:00am
June 26, 2024	10:00am
August 28, 2024	10:00am
October 23, 2024	10:00am
December 2024	TBD

## LIST OF ACRONYMS

ACWA	Association of California Water Agencies
ACWD	Alameda County Water District
CAPB	Contract for Administration of Public Benefits
CCWD	Contra Costa Water District
CNRA	California Natural Resource Agency
CR	Continuing Resolution
CVP	Central Valley Project
CWC	California Water Commission
DCA	Design and Construction Agreement
DFW	California Department of Fish and Wildlife
DSOD	Division of Safety of Dams (California Department Of Water Resources)
DWR	California Department of Water Resources
EBMUD	East Bay Municipal Utility District
EPA	Environmental Protection Agency
FUA	Facilities Usage Agreement
FY	Fiscal Year
GWD	Grassland Water District
H.R.	House of Representatives
ITP	Incidental Take Permit
JPA	Joint Powers Authority
LVE	Los Vaqueros Reservoir Expansion Project
LVR	Los Vaqueros Reservoir
NGO	Non-Governmental Organization
SFPUC	San Francisco Public Utilities Commission
SLDMWA	San Luis & Delta-Mendota Water Authority
SWP	State Water Project
Valley Water	Santa Clara Valley Water District
WIFIA	Water Infrastructure Finance and Innovation Act
WIIN	Water Infrastructure Improvements for the Nation Act
WSIP	Proposition 1 Water Storage Investment Program
Zone 7	Zone 7 Water Agency

**CONSENT CALENDAR**

**ITEM 1.1: APPROVAL OF MINUTES FROM FEBRUARY 14, 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 February 14, 2024 Board of Directors meeting.

**DISCUSSION:**

The Clerk, General Counsel and Executive Director have prepared the attached draft minutes from the February 14, 2024 Board of Directors meeting.

**ALTERNATIVES:**

Any suggested revisions to the draft February 14, 2024 Board meeting minutes will be considered.

**FISCAL ANALYSIS:**

Not applicable.

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable.

**EXHIBITS/ATTACHMENTS:**

- Draft minutes from February 14, 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

February 14, 2024 – 9:30 a.m.

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

**PLEDGE OF ALLEGIANCE** – led by Chair Angela Ramirez Holmes

#### **ROLL CALL OF DIRECTORS**

Angela Ramirez Holmes, Chair, Zone 7 Water Agency

Ellen Wehr, Secretary, Grassland Water District

Paul Sethy, Treasurer, Alameda County Water District

Antonio Martinez, Director, Contra Costa Water District

Michael Tognolini, Director, East Bay Municipal Utility District

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

#### **ALTERNATE DIRECTORS**

Jonathan Wunderlich, Alternate Director, Alameda County Water District

Patt Young, Alternate Director, Contra Costa Water District

Ricardo Ortega, Alternate Director, Grassland Water District

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

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

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

\*Alternate Director Ritchie participated in place of absent Director Herrera and Alternate

Director Santos participated until Director Eisenberg arrived

#### **ABSENT**

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

Dennis Herrera, Director, San Francisco Public Utilities Commission

Lesa McIntosh, Alternate Director, East Bay Municipal Utility District

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

**OTHERS PRESENT**

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

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

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

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

**CONSENT CALENDAR**

The Consent Calendar consisted of the following items:

**1.2 Approval of Minutes from January 10, 2024 Board of Directors Meeting**

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

**1.3 Treasurer’s Reports**

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

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

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

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

**NOES:** None

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

**ABSTAIN:** None

The motion passed with an 7-0 vote, with Vice Chair Anthea Hansen and Alternate Director



Jose Gutierrez of San Luis & Delta-Mendota Water Authority absent.

## **ACTION ITEMS**

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

### **2.2 Amended Conflict of Interest Code**

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

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

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

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

**NOES:** None

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

**ABSTAIN:** None

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

### **2.1 Finance Committee Capital Preservation Strategy Recommendation**

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

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

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

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

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

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

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

### **2.3 LVR JPA Proposed Program Management Contract Amendment**

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

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

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

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

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

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

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

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

## **DISCUSSION ITEMS**

### **3.1 Program Management Update**

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

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

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

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

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

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

Chair Ramirez Holmes called for public comments and comments from those on Zoom.

None were received.

### **3.2 LVR JPA May Board Meeting Reschedule**

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

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

### **FUTURE AGENDA ITEMS**

None.

### **REPORTS**

#### **4.1 Directors**

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

#### **4.2 Executive Director**

##### **4.2.1 Federal Relations Report**

##### **4.2.2 January 2024 Engagement Activities with**

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

#### **4.3 General Counsel**

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

#### **4.4 Committee Meeting Summaries**

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

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

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Angela Ramirez Holmes, Chair

ATTEST:

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Ellen Wehr, Secretary

**ITEM 1.2: TREASURER’S REPORT MONTH ENDED JANUARY 31, 2024**

**RESPONSIBLE/LEAD STAFF MEMBER:**

Jacqueline Harris, Program Controls Manager

**DISCUSSION:**

Staff has prepared the Treasurer’s Report for Month Ended January 31, 2024. The draft report was reviewed by Treasurer Sethy with no concerns raised. Due to the cancellation of the February 2024 Finance Committee, the report has not been reviewed by the full Finance Committee and is alternatively being provided directly to the Board.

**ALTERNATIVES:**

For discussion purposes.

**FISCAL ANALYSIS:**

None.

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable.

**EXHIBITS/ATTACHMENTS:**

- Treasurer’s Report for Month Ended January 31, 2024



# TREASURER’S REPORT FOR ACTIVITY THROUGH JANUARY 31, 2024

FEBRUARY 22, 2024

## UPCOMING ACTIVITIES

- March 28, 2024 – Finance Committee Meeting via Zoom
- April 25, 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

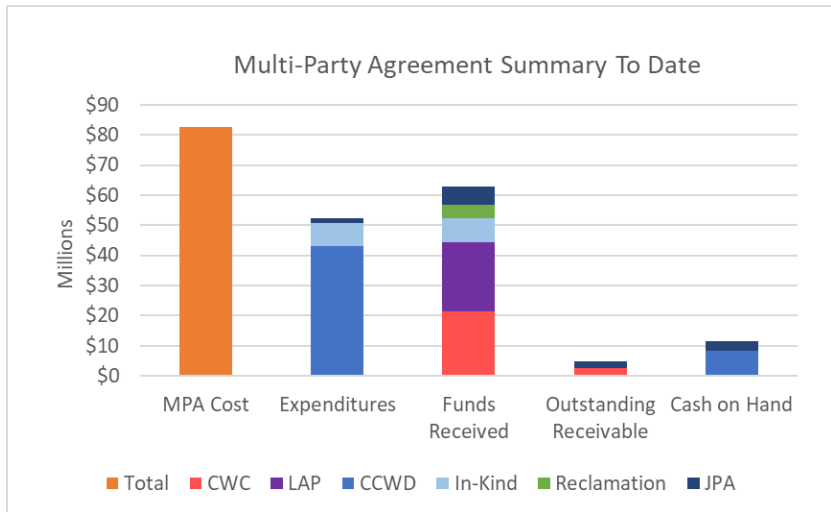
- ACWD – Alameda County Water District
- CCWD – Contra Costa Water District
- CWC – California Water Commission
- EBMUD – East Bay Municipal Utility District
- GWD – Grassland Water District
- MPA – Multi-party Cost Share Agreement
- SFPUC – San Francisco Public Utilities Commission
- SCVWD – Santa Clara 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 (MPA)

The second round of Member Agency invoices were sent out on December 15, 2023. Consistent with 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. As of January 31, 2024, the Authority has received payment from three Member Agencies.

## MPA EXPENDITURES

The following chart provides an overview of the MPA expenditures through January 31, 2024, 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.



<b>MPA Cost:</b>	\$82,510,865 (Amendment No. 5)
<b>Expenditures:</b>	
CCWD:	\$42,914,029
LVRJPA:	\$1,594,353 (Consultants and Legal)
In-kind:	\$7,825,868 (Member Agencies and Reclamation)
<b>Total:</b>	<b>\$52,334,250</b>
<b>Funds Received:</b>	
CWC:	\$21,387,546
Reclamation:	\$4,491,303 (WIIN Act Funding)
Member Agency:	\$29,208,500 (Cash Contributions)
In-kind:	\$7,825,868 (Member Agencies and Reclamation)
<b>Total:</b>	<b>\$62,913,217</b>
<b>Outstanding Receivables:</b>	
CWC:	\$2,490,371 (Invoices and Retention)
Reclamation:	\$0
LVRJPA	\$2,478,000 (Member Agencies)
<b>Total:</b>	<b>\$4,968,371</b>
<b>Cash on Hand:</b>	
CCWD:	\$8,378,686
LVRJPA:	\$3,189,708
<b>Total:</b>	<b>\$11,568,394</b>



## State Early Funding Agreement Summary to Date:

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

## STATE FUNDING STATUS

The project was awarded State funding under the Water Storage Investment Program and received an adjusted Maximum Conditional Eligibility Determination (MCED) of \$477,558,343 from the California Water Commission (CWC) on March 16, 2022. This amount reflects an additional inflation adjustment of 1.5% and an increase of over \$7M from the previous award.

An Early Funding Agreement with CWC provides for a 50% cost share of eligible project costs during pre-construction (maximum early funding was 5% of the MCED, or \$23,877,917). An amendment was executed in November 2022 that extended the agreement through December 31, 2023 and added additional early funding of \$927,917 to the total award amount for an inflation adjustment. This agreement is complete and fully billed as of December 31, 2023. CCWD is continuing work on project completion reports and other close-out tasks required by the agreement.

## FEDERAL FUNDING STATUS

### Bipartisan Infrastructure Law (BIL)

In October 2022, \$82M was appropriated to the Project in the Bipartisan Infrastructure Law (BIL) FY22 Spend Plan. In July 2023, the Bureau of Reclamation announced an additional appropriation of \$10M to the Project increasing Federal funding under the Bipartisan Infrastructure Law to a total of \$92M.

### Water Infrastructure Improvements for the Nation Act (WIIN Act)

The Project has received Federal funding appropriations from the WIIN Act totaling \$80M. In FY21 the Project received appropriations of \$7.8M for pre-construction activities and \$4.1M for construction. In FY22 an additional \$50M was appropriated for construction activities and in FY23 the project was appropriated an additional \$18M for construction activities.

### Accessing Federal Funds

Federal appropriations for Project pre-construction and construction under both BIL and WIIN Act total \$172M. For the Project to access these funds an agreement with the Bureau of Reclamation is required.

CCWD entered into an Assistance Agreement with the Bureau of Reclamation for pre-construction activities totaling \$30M, of which \$7.2M (24%) is available to reimburse pre-construction costs. This Agreement utilizes funding from the WIIN Act pre-construction appropriations from FY21. The Agreement was set to expire December 31, 2023, but was recently extended to December 31, 2024. To date, \$4.5M has been received. The Agreement is expected to be fully billed by June 30, 2024.

**ACTION ITEMS**

**ITEM 2.1: CONSIDER ADOPTION OF RESOLUTION NO. 3-24-01 APPROVING RENEWAL OF THE AUTHORITY’S PUBLIC OFFICIALS AND MANAGEMENT, GENERAL AND EXCESS LIABILITY INSURANCES**

**RESPONSIBLE/LEAD STAFF MEMBER:**

Taryn Ravazzini, Executive Director

**RECOMMENDATION**

That the Authority’s Board of Directors approve the above referenced resolution to renew incumbent insurance policies and authorize the Executive Director to make adjustments to coverage as specified by the Board of Directors and to enter into all necessary agreements to effectuate the renewal.

**DISCUSSION:**

Early in 2023, staff explored various options from which to procure general liability and errors and omission insurance coverage for the Authority. Those efforts included discussing coverage options and requesting quotes for coverage from various public agency insurance pools, including ACWA-JPIA, Special Districts Risk Management Authority (SDRMA) and the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA).

The Los Vaqueros Reservoir Phase 2 Expansion is a unique and complex project. As such, through the search process conducted in early 2023, staff received limited response from providers agreeable to quote insurance for the Authority. ACWA-JPIA and SDRMA were among those unwilling to provide quotes. Staff worked with Mike Waltz of InterWest Insurance Services aiming for a baseline aggregate coverage of risk totaling \$10,000,000; consistent with coverages held by Contra Costa Water District. Two providers, JPRIMA and Socius, were responsive. Each offered different policies and degrees of coverage. Summaries of those proposals were presented to the Finance Committee at its March 23, 2023 meeting. The Finance Committee unanimously recommended that the Authority proceed with procuring coverage through JPRIMA.

At its April 12, 2023 meeting, the Board of Directors selected JPRIMA to provide coverage. In May 2023, the Authority entered into a three-year relationship with JPRIMA and secured the following summary of coverage at a total cost of \$62,261 for the ten-month period May 30, 2023 to April 1, 2024:

<b>LINES OF BUSINESS - COVERAGE</b>	<b>AGGREGATE</b>	<b>EACH OCCURENCE</b>	<b>DEFENSE COSTS</b>
General Liability	\$ 10,000,000	\$ 1,000,000	Outside the Limit
Public Officials/Business Management	\$ 10,000,000	\$ 1,000,000	Outside the Limit
Excess Liability	\$ 4,000,000	\$ 4,000,000	Outside the Limit

A renewal proposal was received from JPRIMA on Friday evening, March 8, 2024 for the twelve-month period April 1, 2024 to April 1, 2025 with an annualized indicated premium totaling \$88,535. The Authority is committed to JPRIMA for three years unless premiums increase by more than 15%. Thus, because the premium increase is 14.5%, the Authority is not able to move from JPRIMA. The renewal proposal includes a 74% increase for excess liability coverage, which provides an additional \$4 million occurrence/aggregate umbrella coverage. It must be noted that wildfire risk along with an increasingly litigious environment in California has significantly compacted available coverage in California, with several insurers leaving the state and premiums statewide significantly increasing. The situation has worsened to the point that the State Legislature is considering legislation to assist in improving the insurance market.

**ALTERNATIVES:**

Option 1 – The Board approves the renewal of incumbent policies with JPRIMA on April 1, 2024 to ensure no gap in coverage and directs staff to continue working with Mike Waltz of InterWest Insurance Services to evaluate options to reduce the quoted renewal premium without affecting coverage limits or lines of business.

Option 2 – The Board approves the renewal of incumbent policies with JPRIMA on April 1, 2024 to ensure no gap in coverage and directs staff to continue working with Mike Waltz of InterWest Insurance Services to evaluate options to reduce the quoted renewal premium by reducing coverage limits and/or lines of business such as removing the excess liability coverage.

Option 3 – The Board approves the renewal of incumbent policies with JPRIMA on April 1, 2024 to ensure no gap in coverage.

Staff recommends either Option 1 or Option 2, as the Board deems appropriate.

**FISCAL ANALYSIS:**

LINES OF BUSINESS - COST	EXPIRING (10 MONTHS)	EXPIRING (ANNUAL)	RENEWAL (ANNUAL)*	Annual Increase \$	Annual Increase %
General Liability	\$ 18,850	\$ 22,494	\$ 23,860	\$ 1,366	6.1%
Public Officials/Business Management	\$ 29,716	\$ 35,461	\$ 36,901	\$ 1,440	4.1%
Excess Liability	\$ 7,943	\$ 9,479	\$ 16,499	\$ 7,020	74.1%
Total Premium	\$ 56,509	\$ 67,434	\$ 77,260	\$ 9,826	14.6%
JPRIMA Admin Fees	\$ 5,752	\$ 6,844	\$ 7,820	\$ 976	14.3%
Total Renewal Cost	\$ 62,261	\$ 74,278	\$ 85,080	\$ 10,802	14.5%
Admin Fee %	10.2%	10.1%	10.1%		
<i>Estimated Renewal Excluding General Liability and Excess Liability</i>			\$ 40,636		
<i>Estimated Renewal Excluding Excess Liability</i>			\$ 66,911		

\*Premium indication only; subject to underwriter's review. Annualized premium estimate \$88,535

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable.

**EXHIBITS/ATTACHMENTS:**

- JPRIMA renewal proposal
- Resolution No. 3-24-01

# 2024/25 PROPOSAL LOS VAQUEROS RESERVOIR JPA



Presented on: March 8, 2024  
Presented by: Mike Waltz



**INTERWEST**  
INSURANCE SERVICES, LLC



Address

P.O. Box 255188  
Sacramento, CA 95865-5188



Phone

P: (530) 715-2732



Website

[www.iwins.com](http://www.iwins.com)

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# INTRODUCTION

## ABOUT US

InterWest is a full-service insurance brokerage capable of supporting all aspects of your company's insurance and risk management program. We offer unparalleled expertise in all lines of property and casualty, workers' compensation, employee benefits and personal insurance coverages, as well as a full range of surety products. We operate on the premise that the needs of our clients come first. Our commitment to reinvesting in our staff, diversified products & services, and innovative technology consistently places us among the top performing insurance and consulting brokerages in the country. Although we operate principally in California, we are licensed to write business in all 50 states and staffed to service clients with locations throughout the nation.

## OUR HISTORY

InterWest was founded in 1992 as a result of the merger of three successful regional insurance brokerage firms in Northern California. Our entrepreneurial and acquisition efforts have expanded our footprint into Central California, North Tahoe,

Northern Nevada and the San Francisco Bay Area. We've grown from three office locations to fourteen. Our clients are business owners from a wide range of industry groups and from sole proprietors to those employing several thousand and paying annual premiums up to several million dollars.

## OUR MISSION

InterWest is committed to remaining independent and locally owned, allowing us to make decisions at the local level in the best interest of our clients and current & future clients. We believe that our mutual goals are most favorably addressed through an unwavering dedication to remaining part of the fabric of the communities we serve and partnering in the future growth and financial health of our business partners. Our long-range vision calls for entrepreneurial creativity and strategic expansion, to produce consistent profits and to share those profits with our employees. It's part of our culture to give back and actively participate in making a difference in the lives of others.

# INTERWEST SERVICE TEAM

## COVERAGE AND POLICY SERVICES

---

### **Mike Waltz, Commercial Lines Broker**

Direct Line: (530) 715-2732  
Email: mwaltz@iwins.com

### **Pam Sey, Account Manager**

Direct Line: (916) 609-8340  
Email: psey@iwins.com

## RISK MANAGEMENT/CLAIMS

---

Risk Management Services:

**To Be Assigned**

Property/Casualty Claims:

**To Be Assigned**

## ADDITIONAL SERVICES

---

Surety Bonds:

### **Renee Ramsey, Surety Account Executive**

Direct Line: (916) 609-8383  
Email: rramsey@iwins.com

Personal Lines:

### **Paul Durrans, Personal Insurance Broker**

Direct Line: (916)-609-8416  
Email: pdurrans@iwins.com

Employee Benefits:

### **Terrie Griggs, RHU, Employee Benefits Broker**

Direct Line: (916) 609-8436  
Email: tgriggs@iwins.com

---

*Let our experience guide you.*



# NAMED INSUREDS/LOCATIONS

## NAMED INSUREDS

Los Vaqueros Reservoir JPA

## MAILING ADDRESS

1331 Concord Avenue, Concord, CA 94520

## LOCATION SCHEDULE

LOC	ADDRESS
1	1331 Concord Avenue, Concord, CA 94520

# GENERAL LIABILITY

COMPANY Joint Powers Risk & Ins Mgmt	AM BEST RATING: A+ XV	POLICY TERM 4/1/204 to 4/1/2025
---	--------------------------	------------------------------------

## COVERAGES

DESCRIPTION	LIMITS
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Damage to Rented Premises	\$1,000,000
Medical Expense (Any One Person)	\$10,000
Deductible – Per Occurrence/incl expenses	\$50,000

Policy Form:

Occurrence – Defense costs outside the limit

## LOCATIONS & EXPOSURES

LOCATION #0: BLANKET COVERAGE INFORMATION				
BLDG	CLASS CODE	CLASSIFICATION	PREMIUM BASIS	EXPOSURE
0		Budget Expenses	Other	\$19,073,000

## POLICY HIGHLIGHTS

Duty to Defend w/Defense Costs In Addition to Limits  
 Watercraft – Owned & Non-Owned up to 100hp (higher hp would need to be endorsed)  
 Water & Wastewater Testing Errors and Omissions  
 Failure to Supply  
 Lead (potable water)  
 Waterborne Asbestos (potable water)  
 Product Recall  
 Impaired Property  
 Fungi & Bacteria

**Exclusions including, but not limited to:**

Insured vs Insured  
 Member Agencies vs Insured Exclusion  
 Inverse Condemnation

# PUBLIC OFFICIALS & BUSINESS MANAGEMENT

COMPANY Joint Powers Risk & Ins Mgmt	AM BEST RATING: A+ XV	POLICY TERM 4/1/2024 to 4/1/2025
---	--------------------------	-------------------------------------

## LIMITS

DESCRIPTION	LIMIT	DEDUCTIBLE
Aggregate Limit	\$10,000,000	
Wrongful Acts – Each Act/Offenses	1,000,000	\$50,000
Employment Practices – Each Act/Offense, incl expenses (Third Party coverage included)	Included	\$50,000
Employee Benefits Liability – Each Act/Offense	Included	\$50,000
Injunctive Relief – Each Action	\$5,000	\$50,000

## POLICY FORM

Occurrence

Defense costs outside the limits unless noted otherwise

## FORMS AND ENDORSEMENTS

*\*\*The following list of forms and endorsements is not all inclusive of those contained within your policy. Please refer to your policy for the complete list.*

*Inverse Condemnation excluded – can be revisited when applicable*

*Insured vs Insured exclusion*

*Member Agencies vs Insured exclusion*

# UMBRELLA/EXCESS LIABILITY

COMPANY <b>Joint Powers Risk &amp; Ins Mgmt</b>	AM BEST RATING: <b>A+ XV</b>	POLICY TERM <b>4/1/2024 to 4/1/2025</b>
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## COVERAGES

DESCRIPTION	LIMIT
Each Occurrence	\$4,000,000
Aggregate	\$4,000,000

## UNDERLYING COVERAGES

DESCRIPTION	CARRIER / POLICY #	POLICY PERIOD	LIMIT
General Liability	JPRIMA / TBD	4/1/24 to 4/1/25	\$1,000,000
Each Occurrence			\$10,000,000
General Aggregate			\$10,000,000
Product & Completed Ops Agg			\$1,000,000
Personal & Advertising Injury			
Management Liability Package	JPRIMA / TBD	4/1/24 to 4/1/254	\$1,000,000
Aggregate			

# PREMIUM COMPARISON

LINES OF BUSINESS	EXPIRING	RENEWAL
General Liability	\$22,494.00	\$23,860.00
Board of Directors/Mgmt Liab	\$35,461.00	\$36,901.00
Excess Liability	<u>\$9,479.00</u>	<u>\$16,499.00</u>
Total Premium	\$67,434.00	\$77,210.00
JPRIMA Admin Fees	<u>\$ 6,844.00</u>	<u>\$ 7,820.00</u>
Total Renewal Costs	\$74,278.00*	\$85,030.00*

\*Annualized: \$88,535

\*\*This premium is an indication. To be firmed up upon Underwriters review

**BINDING REQUIREMENTS:**

- Mark/sign InterWest Proposal Acceptance form

**IMPORTANT INFORMATION REGARDING DIRECT BILLED AND FINANCED POLICIES**

The premium for your policy(ies) will be billed directly from the Insurance or Finance company. Please note that if your payment is late, we cannot guarantee reinstatement, nor can we guarantee that a claim will be paid during a cancellation period. It is your responsibility to make sure that your payment arrives at the billing office of the Insurance or Finance company on time in order to avoid a lapse in coverage that could result in claims being denied.

# PROPOSAL ACCEPTANCE

## INSURED

Los Vaqueros JPA

As presented (General Liability, Business Management, Excess Liability)

With changes noted below

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

# DISCLAIMERS AND DISCLOSURES

## DISCLAIMER

Disclaimer: Coverage summaries provided herein are intended as an outline of coverages only. In the event of a loss, all terms, conditions and exclusions of the actual policy apply.

## COMPENSATION DISCLOSURE

InterWest Insurance Services, LLC, does business with multiple competing insurance companies, enabling us to offer a variety of coverage choices and customize a plan to satisfy your specialized needs. This proposal is an outline of the coverages offered by our insurers based on the information provided by your company. It does not include all terms, coverages, exclusions, limitations or conditions of the actual contract language. To fully understand the details of the coverages, terms and conditions, you need to review the policy contracts. At your request, the policy forms will be made available.

The information contained in this proposal is based on the historical loss experience and exposures provided by you to InterWest and is not an actuarial study.

For the services we provide to our clients, InterWest receives usual and customary commissions or fees, and occasionally fees in addition to commissions, from the insurance carriers providing the coverages. This commission percentage is set by the insuring company, not by us, and is included as part of the insurance premium you pay. We charge you nothing for the placement of your policies, as we are compensated for this service in the commission

previously described. However, we may charge fees for other professional services that you ask us to perform.

In addition to such fees and commissions, InterWest may also receive investment income on fiduciary funds temporarily held in our accounts, such as premiums or return premiums.

In placing, renewing, consulting on or servicing retail insurance policies, InterWest may participate in contingent commission agreements with select insurers that provide for additional compensation if underwriting, profitability, volume or retention goals are achieved over multiple years. It is usually impossible to know at the time of placement whether that policy will contribute to, or detract from, our potential eligibility for future additional compensation from the insurer.

If you have questions regarding the compensation received by InterWest or our affiliates in relation to insurance placement, please contact your InterWest representative.

1/06

**RESOLUTION NO. 3-24-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS  
RESERVOIR JOINT POWERS AUTHORITY  
APPROVING RENEWAL OF AUTHORITY INSURANCE**

WHEREAS, at its April 12, 2023 meeting, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) approved a proposal to procure public officials and management liability and general liability insurance from the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (“JPRIMA”); and

WHEREAS, the policy procured through JPRIMA will expire on April 1, 2024 and it is necessary to renew that policy; and

WHEREAS, the Authority has received a proposal to renew the policy procured through JPRIMA, along with excess liability coverage, in the form presented to the Board of Directors, for the coverage period of April 1, 2024 through April 1, 2025 at the total premium not to exceed \$90,000; and

WHEREAS, the Authority’s Board of Directors finds it in the Authority’s best interest to renew the insurance policy to be obtained through JPRIMA as stated above, but with possible adjustments in coverage to reduce the premium to be paid,

NOW, THEREFORE, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority hereby approves the renewal of the Authority’s public officials and management liability and general liability insurance, along with the specified excess coverage, from the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority for the period of April 1, 2024 through April 1, 2025 at a premium of not to exceed \$90,000.00, directs the Executive Director to undertake efforts to reduce that premium through appropriate adjustments in coverage and directs Authority staff to take all actions necessary to effectuate that renewal.



PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 13th day of March, 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Angela Ramirez Holmes, Chair

Attest:

---

Ellen Wehr, Secretary

**DISCUSSION ITEMS**

**ITEM 3.1: FISCAL YEAR 25 BUDGET APPROACH OVERVIEW**

**RESPONSIBLE/LEAD STAFF MEMBER:**

Taryn Ravazzini, Executive Director

**RECOMMENDATION:**

Not applicable.

**DISCUSSION:**

The Los Vaqueros Reservoir Joint Exercise of Powers Agreement (JPA Agreement) requires that the Board of Directors adopt a budget prior to the start of each Fiscal Year. An update was provided to the Finance Committee at the January 2024 meeting. Staff will provide the Board with an overview of the development of the 2024-25 Fiscal Year (FY25) Budget, including contemplated capital components. Staff continues to coordinate with Contra Costa Water District in developing the Authority’s FY25 Budget. Jacqueline Harris, Program Controls Manager, will present an overview of the budget at this stage of development including sources and uses of funds totaling \$11,550,000. Further, a draft Budget Book will be presented to the Finance Committee in April 2024 then to the Board in May 2024. It is anticipated that final approval will be requested of the Board at the June 2024 meeting.

**ALTERNATIVES:**

For discussion purposes.

**FISCAL ANALYSIS:**

None.

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable.

**EXHIBITS/ATTACHMENTS:**

- Fiscal Year 25 Budget Overview Presentation



**LVE Joint Powers Authority  
Board of Directors Meeting  
Draft Fiscal Year 2024-25 Budget  
March 13, 2024**



# Agenda

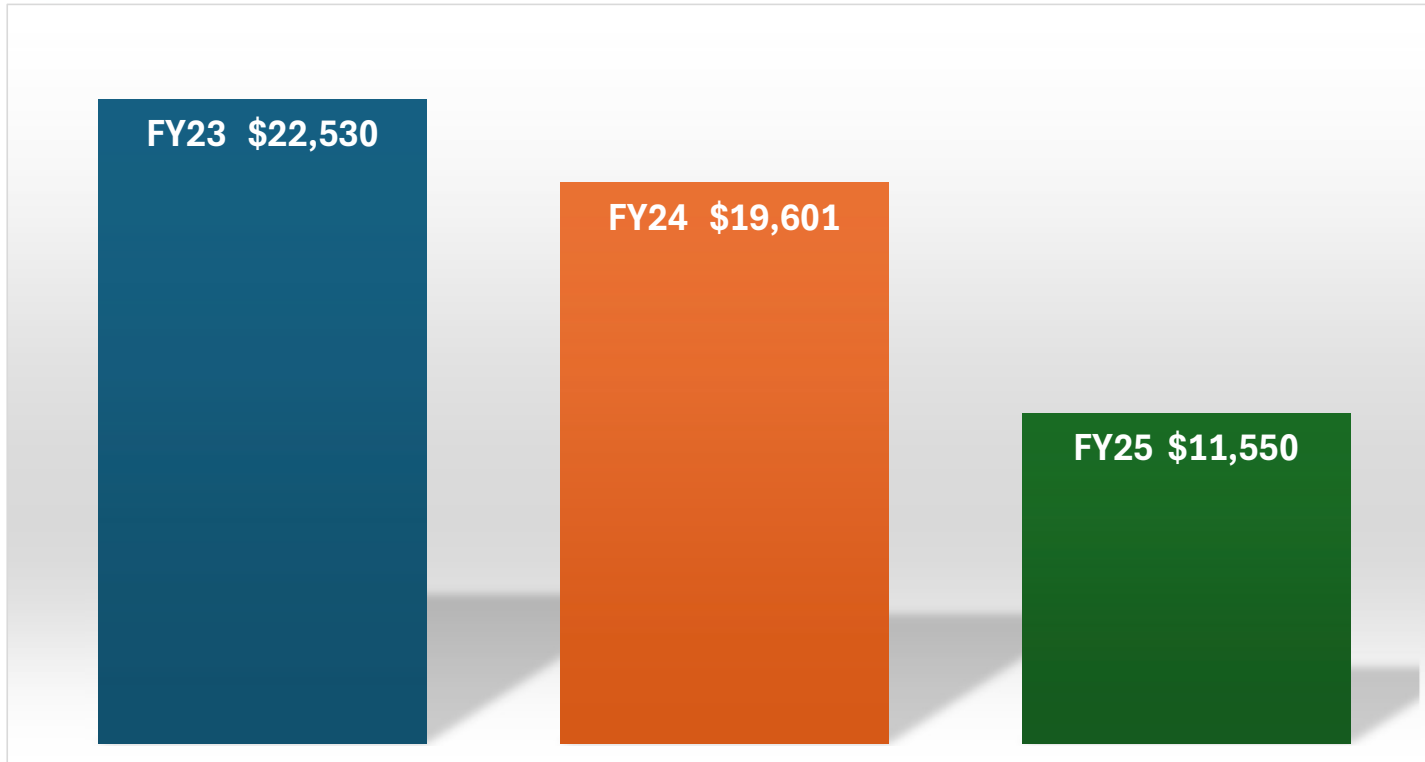
- **FY25 Budget Overview**
- **Key Assumptions**
- **Budget Components**
- **Next Steps**



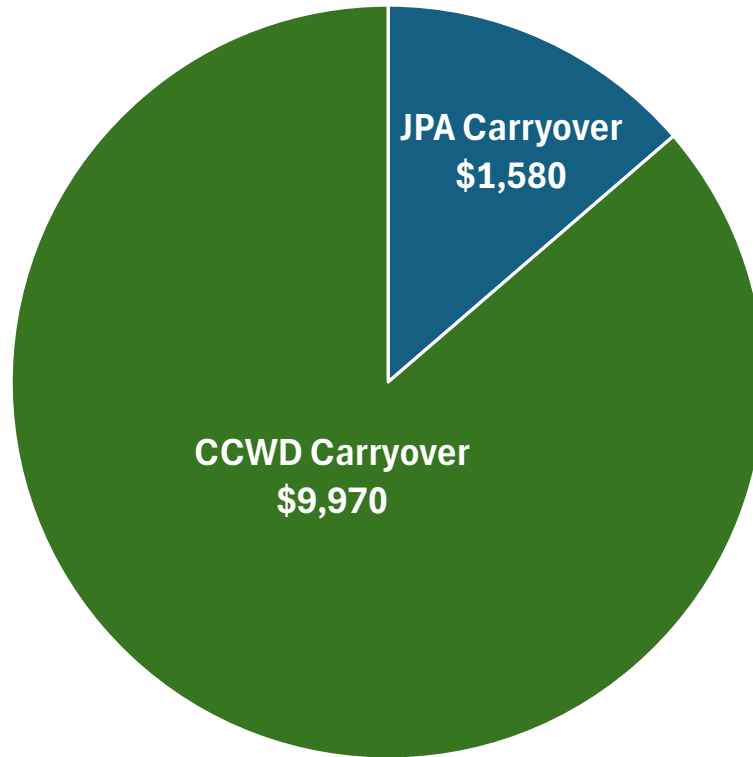
# JPA FY25 Budget Overview

- Presented to the Finance Committee at the January 22, 2024 meeting
- FY25 Budget is anticipated to include planning, permitting, design, finance and pre-construction activities
- FY25 Budget is highly dependent on maintaining schedule and achieving key milestones required to secure financing to initiate construction
  - Service, Member, State and Federal Agreements
  - WIFIA/Interim Loan Closing
  - CWC Final Award
- After completion of key milestones, the FY25 Budget would require adjustment (approved by the Board) for design, construction and land acquisition

# Draft Budget Overview (\$1,000s)



# Funding Overview (\$1,000s)



# Key Assumptions

- CWC Early Funding Agreement – Fully Expended as of FY24
  - Remaining reimbursements include retention release and reimbursements for FY24 costs and are included in CCWD carryover funding
- Reclamation Pre-Construction Funding Agreement – Fully Expended as of FY24
  - Time extension granted to December 31, 2024 for submission of FY24 reimbursements only
  - Remaining reimbursements are included in CCWD carryover funding
- Budget Contingencies
  - No contingency included for JPA services
  - \$483K contingency included for CCWD services





## Key Assumptions (cont.)

- CCWD FY24 Contingency Carryover is Transferred to the JPA by August 2024
- Carryover Funding Estimates will be Updated Ahead of Budget Adoption
- Capital Preservation Strategy is Implemented
- Costs associated with a recommendation to re-sequence construction of project facilities are not reflected in the FY25 Budget



# Sources of Funding

- Carryover Funding:
  - JPA FY24 Carryover from Members
  - CCWD FY24 Carryover from Members, Reclamation, and CWC
- Potential Funding (Assumes Service, Member, State, and Federal Agreements are Completed as Scheduled and Requires Board Decision to Proceed)
  - WIFIA Loan
  - Interim Institutional Financing
  - CWC Funding Agreement - JPA (est. February 2025)
    - Total amount ~\$478M over the whole project
    - 50% reimbursement of eligible project costs
    - Schedule includes 60 days (after hearing) to execute funding agreement



# Use of Funds – JPA

JPA Services	FY25 (\$1,000s)
Executive Director	\$ 456
Program Management	\$ 1,622
Financial Advisor	\$ 125
Accounting and Auditing	\$ 30
External Affairs/Agency Support	\$ 125
Legal Counsel	\$ 305
Bond Counsel	\$ 39
EPA – WIFIA Loan Fees	\$ 280
Insurance	\$ 62
Administrative Costs	\$ 91
<b>Total JPA Services</b>	<b>\$ 3,135</b>

# Use of Funds – CCWD

CCWD Services and Labor	FY25 (\$1,000s)
Transfer Bethany Pipeline	\$ 1,400
Dam Expansion	\$ 100
Pumping Plant 1	\$ 100
Backstop Plan Development	\$ 100
Project Management	\$ 1,200
Environmental Planning, Modeling, Permitting	\$ 1,915
Legal	\$ 500
<b>Total CCWD Services</b>	<b>\$ 5,315</b>
Implementation	\$ 1,900
Transfer Bethany Pipeline	\$ 500
Dam Expansion	\$ 400
Pumping Plant 1	\$ 300
<b>Total CCWD Labor</b>	<b>\$ 3,100</b>
<b>Total CCWD Services and Labor</b>	<b>\$ 8,415</b>



# Sources of Funds Summary

Sources of Funds (\$1,000s)	FY25 Total
JPA FY24 Carryover	\$ 1,580
CCWD FY24 Carryover	\$ 9,970
<b>Total</b>	<b>\$ 11,550</b>



# JPA Reserve Funds

- Capital Project Fund Reserve
  - Target 17% of annual capital budget
  - No reserve in FY25 Budget
- Debt Service Reserve
  - One year of maximum debt service
  - Would be funded by first drawdown from WIFIA/Interim Financing
- Admin/Operating Fund Reserve (Available Reserves)
  - 17% of annual operating budget
  - Not included until project is operational



# JPA Capital vs. Operating Budget

- FY25 Budget assumes all costs are capital; no operating expenses in FY25
- When the project becomes operational and the JPA Members are receiving benefits an operating budget would be adopted
- For example:
  - In FY25 Executive Director will be part of capital budget
  - In ~FY30 Executive Director will be part of operating budget



# Next Steps

- ✓ February - Finance Committee FY25 Budget update
- ✓ March - JPA Board initial discussion on FY25 Budget approach
- April - Finance Committee Draft FY25 Budget Book
- May - JPA Board Draft FY25 Budget Book
- May - Finance Committee Preview Final FY25 Budget Book
- June - JPA Board consider adoption of FY25 Budget





**ITEM 3.2    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:**

- March 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 PROJECT" is 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 a color gradient 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 rolling green hills under a clear sky. In the middle ground, a large blue reservoir is visible, surrounded by a concrete dam structure. Several wind turbines are scattered across the hills in the distance. The foreground shows a dirt road winding through the grassy hills.

LVE Program Management Update  
March 13, 2024

# Overview

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

## February Accomplishments

- ✓ Receipt of Operations Incidental Take Permit 3/1 (ITP)
- ✓ Implementation of Capital Preservation Strategy
- ✓ Draft DCA Received, Convened Ad Hoc
- ✓ Proposed DCA Risk Reduction Strategy Developed
- ✓ Member CAPB Briefing

# Authority Contract Authorizations



## Los Vaqueros JPA Active Contracts and Progress Billings - January 2024

Contractor/Consultant/Vendor	Primary Responsibility	Contract Term	Max. Contract Value/NTE	Billed Through January 2024	Remaining Contract Value	% Term Expired	% Billed
CalMutuals - JPRIMA <sup>1</sup>	JPA Insurance Policy	05/30/2023 - 04/01/2024	\$ 62,261.00	\$ 62,261.00	\$ -	80%	100%
Clean Energy Capital - CEC	Finance/Credit Support	08/25/2022 - 06/30/2024	\$ 1,090,515.00	\$ 889,239.79	\$ 201,275.21	77%	82%
Eide Bailly, LLP	Accounting Services	07/01/2023 - 06/30/2024	\$ 98,000.00	\$ 15,434.25	\$ 82,565.75	58%	16%
Hallmark Group	Project Management/Controls	05/22/2023 - 06/30/2024	\$ 1,251,440.00	\$ 858,015.26	\$ 393,424.74	63%	69%
J Comm, Inc. <sup>2</sup>	Project Video/CWC Requirement	08/16/2023 - 01/31/2024	\$ 22,000.00	\$ 11,715.59	\$ 10,284.41	100%	53%
Lagerlof, LLP <sup>3</sup>	Legal	07/01/2023 - 06/30/2024	\$ 300,000.00	\$ 124,391.52	\$ 175,608.48	58%	41%
Natural Resource Results, LLC	Federal Relations	05/16/2023 - 06/30/2024	\$ 212,500.00	\$ 127,500.00	\$ 85,000.00	63%	60%
Regional Government Services - RGS <sup>4</sup>	Board Clerk/Administration	03/08/2023 - 06/30/2024	\$ 49,999.00	\$ 25,629.36	\$ 24,369.64	69%	51%
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	\$ 589,382.19	\$ 680,837.81	49%	46%
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 <sup>5</sup>	Bond Counsel	10/24/2023 - 06/30/2025	\$ 225,000.00	\$ 17,180.00	\$ 207,820.00	15%	8%

<sup>1</sup> Payment in full required on policy renewal date.  
<sup>2</sup> Contract terms required \$10,000 payment due at signing.  
<sup>3</sup> Legal services "contract value" is an estimated FY24 cost projection not an actual contract or NTE.  
<sup>4</sup> Contract is month-to-month effective July 1, 2023.  
<sup>5</sup> Estimate based on proposed fee structure, no specified NTE value

# Authority Budget Report

Month End January 31, 2024



Budget Cost Category	FY24 Budget	Budget To Date	Accrued Costs	Paid Costs	Total Accrued/Paid Costs	Budget Variance Over/(Under)
<b>JPA Services <sup>1</sup></b>						
Management	\$ 1,706,000	\$ 995,167	\$ 1,026,072		\$ 1,026,072	\$ 30,905
Administration	\$ 250,000	\$ 145,833	\$ 15,855		\$ 15,855	\$ (129,978)
Financial	\$ 720,000	\$ 420,000	\$ 294,138		\$ 294,138	\$ (125,862)
External Affairs/Agency Support	\$ 470,000	\$ 274,167	\$ 116,716		\$ 116,716	\$ (157,451)
Legal	\$ 505,000	\$ 294,583	\$ 141,572		\$ 141,572	\$ (153,011)
<b>Total JPA Services</b>	<b>\$ 3,651,000</b>	<b>\$ 2,129,750</b>	<b>1,594,353</b>		<b>\$ 1,594,353</b>	<b>\$ (535,397)</b>
<b>CCWD Services <sup>2</sup></b>						
Management	\$ 75,000	\$ 31,250		\$ -	\$ -	\$ (31,250)
Environmental Planning/Design						
Dam Raise	\$ 1,324,400	\$ 551,833		\$ 270,293	\$ 270,293	\$ (281,540)
Transfer Bethany Pipeline	\$ 2,564,800	\$ 1,068,667		\$ 813,459	\$ 813,459	\$ (255,208)
Pumping Plant No. 1	\$ 1,260,800	\$ 525,333		\$ 204,314	\$ 204,314	\$ (321,019)
Program (not facility specific)	\$ 2,475,333	\$ 1,031,389		\$ 815,117	\$ 815,117	\$ (216,272)
Legal	\$ 860,000	\$ 358,333		\$ 178,764	\$ 178,764	\$ (179,569)
Fees	\$ 584,000	\$ 243,333		\$ (9,923)	\$ (9,923)	\$ (253,257)
<b>Total CCWD Services</b>	<b>\$ 9,144,333</b>	<b>\$ 3,810,139</b>		<b>\$ 2,272,024</b>	<b>\$ 2,272,024</b>	<b>\$ (1,538,115)</b>
<b>CCWD Labor <sup>3</sup></b>						
Management	\$ 203,000	\$ 118,417		\$ 138,461	\$ 138,461	\$ 20,044
Environmental Planning/Design						\$ -
Dam Raise	\$ 427,100	\$ 249,142		\$ 177,058	\$ 177,058	\$ (72,084)
Transfer Bethany Pipeline	\$ 621,780	\$ 362,705		\$ 283,371	\$ 283,371	\$ (79,334)
Pumping Plant No 1	\$ 427,080	\$ 249,130		\$ 179,856	\$ 179,856	\$ (69,274)
Program (not facility specific)	\$ 2,423,500	\$ 1,413,708		\$ 1,283,385	\$ 1,283,385	\$ (130,323)
<b>Total CCWD Labor</b>	<b>\$ 4,102,460</b>	<b>\$ 2,393,102</b>		<b>\$ 2,062,131</b>	<b>\$ 2,062,131</b>	<b>\$ (330,971)</b>
<b>Total CCWD</b>	<b>\$ 13,246,793</b>	<b>\$ 6,203,240</b>		<b>\$ 4,334,155</b>	<b>\$ 4,334,155</b>	<b>\$ (1,869,086)</b>
<b>Total (excluding contingency)</b>	<b>\$ 16,897,793</b>	<b>\$ 8,332,990</b>	<b>\$ 1,594,353</b>	<b>\$ 4,334,155</b>	<b>\$ 5,928,508</b>	<b>\$ (2,404,483)</b>
Contingency	\$ 2,175,207	\$ 1,268,871	\$ -	\$ -	\$ -	\$ (1,268,871)
<b>Total</b>	<b>\$ 19,073,000</b>	<b>\$ 9,601,861</b>	<b>\$ 1,594,353</b>	<b>\$ 4,334,155</b>	<b>\$ 5,928,508</b>	<b>\$ (3,673,353)</b>

**Allocation of Budget To Date Figures**

<sup>1</sup> JPA Services - Budget to Date is based on a straight-line 12-month allocation of the FY24 budget.

<sup>2</sup> CCWD Services - Budget to Date is based on a straight-line 12-month allocation of the FY24 budget with a 60 day lead (assumes 40% of costs will be recorded in the 4th quarter when the fiscal year closes).

<sup>3</sup> CCWD Labor - Budget to Date is based on a straight-line 12-month allocation of the FY24 budget.

# 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
<b>BEGINNING CASH BALANCE</b>	\$ -	\$ -	\$ 1,426,882	\$ 1,521,638	\$ 2,197,664	
<b>CASH SOURCES</b>						
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
<b>TOTAL CASH SOURCES</b>		<b>2,044,500</b>	<b>3,717,000</b>	<b>4,336,500</b>	<b>-</b>	<b>10,098,000</b>
<b>TOTAL CASH AVAILABLE</b>	-	<b>2,044,500</b>	<b>5,143,882</b>	<b>5,858,138</b>	<b>2,197,664</b>	
<b>CASH USES</b>						
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	410,680	512,542	1,677,346
Administration		3,677	9,290	3,655	7,500	24,122
Financial		100,376	144,273	67,301	54,326	366,276
External Affairs/Agency Support		40,000	46,716	40,000	30,000	156,716
Legal - General Counsel		43,380	56,758	48,677	73,268	222,082
Legal - Bond Counsel (TBD)		-	-	20,305	9,375	29,680
Insurance - General and Excess Liability		-	-	-	-	-
Contingency		-	-	145,979	437,938	583,917
Direct Reimbursable Costs		9,320	18,952	10,876	15,000	54,147
<b>TOTAL CASH USES</b>		<b>617,618</b>	<b>3,622,244</b>	<b>3,660,474</b>	<b>1,139,949</b>	<b>9,040,285</b>
<b>ENDING CASH BALANCE</b>	\$ -	\$ 1,426,882	\$ 1,521,638	\$ 2,197,664	1,057,715	
<b>ENDING CASH BALANCE IF CONTINGENCY IS NOT USED</b>					1,641,632	

## Estimated Cost at Completion – All Costs Comparison (Costs in \$1,000)<sup>1</sup>

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

<sup>2</sup> 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 (%)
<b>Implementation Costs</b>	\$ 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 <sup>2</sup>	138,400	100,000	(38,400)	-28%
<b>Subtotal</b>	<b>\$ 1,313,100</b>	<b>\$ 1,443,300</b>	<b>\$ 130,200</b>	<b>10%</b>
<b>EBMUD Mokelumne Aqueduct</b>	\$ 23,700	\$ 23,700	\$ -	0%
<b>JPA Costs</b>				
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%
<b>Subtotal</b>	<b>\$ 63,600</b>	<b>\$ 80,464</b>	<b>\$ 16,864</b>	<b>27%</b>
<b>Program Total</b>	<b>\$ 1,376,700</b>	<b>\$ 1,523,764</b>	<b>\$ 147,064</b>	<b>11%</b>



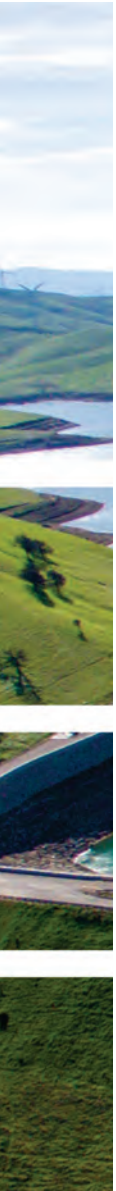
# LVE JPA Agreements Status

## CCWD Design and Construction Agreement

- Member review and comment of draft DCA complete 2/15
- Convened Ad Hoc 2/22 to discuss proposed DCA revisions
- Initial risk reduction strategy reviewed with DCA Ad Hoc
- General Managers engaged 2/26 for initial risk reduction strategy review
- 1:1 meetings with General Managers for feedback are underway

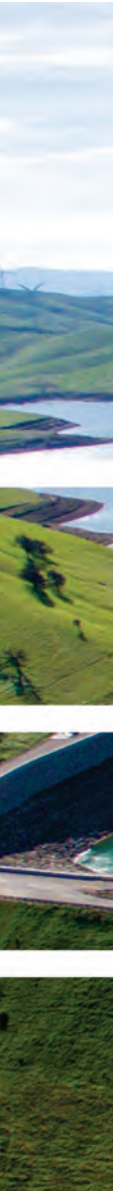
# Proposed DCA Risk Reduction Strategy

1. Define CCWD Applicable Board Principles
2. JPA Design and Construction of Transfer Bethany Pipeline
3. Conduct JPA Third-Party Geotechnical Investigation Review
4. Conduct JPA Third-Party Dam Design Review
5. Conduct JPA Third- Party Cost Estimate Review
6. Conduct JPA Third- Party Risk Register and Mitigation Plan Review
7. JPA Coordination and Bid Package / Construction Document Review
8. JPA Participation in Selection of Construction Manager



# LVE JPA Agreements Status

- EBMUD FUA** EBMUD termsheet comments received, convened workgroup to review on February 20, 2024. Partners being surveyed as to need for Freeport given start-up time and need during drought.
- CCWD FUA** JPA transmitted term sheet comments to CCWD, comment review meeting held 1/30. CCWD will provide the JPA with a redline update of the term sheet within the next two weeks. CCWD has begun to prepare the draft agreement.
- MPA #6** JPA provided CCWD with minor edits on 2/27. CCWD is reviewing internally and committed to send comments back within the next two weeks. JPA to then send to Members for review.



# LVE JPA Agreements Status

- Service Agreement** Comments consolidated. Monthly meetings for the Capacity Allocation and Operations subgroup have been established.
- Backstop Plan** EBMUD is reviewing CCWD’s comments, estimated to finalize in April. CCWD continues to meet with Reclamation, JPA member agencies, and other water agencies regarding the backstop plan needs. A CCWD Board committee update on the Backstop Plan will be held on March 14.
- DWR Turn-In** Comments on the draft agreements are being compiled and expected to be sent to DWR in March.

## Contract for Administration of Public Benefits Update

- CAPBs have been shared with staff at JPA member agencies as well as with CDFW and DWR. JPA and CCWD staff have met with CDFW multiple times to review; CDFW will provide edits in mid-March. JPA is meeting with member agencies to review initial comments from CDFW. DWR is continuing to review.
- Monthly CAPB workgroup meetings are being held through June, the March meeting was held on March 7.

## Permitting Update

- CDFW issued an Incidental Take Permit (ITP) for current (near-term) and LVE project (long-term) operations on March 1.
- CCWD will provide an update to its Board on the ITP on April 2.

## Design Updates

### **LV Dam Expansion**

- CCWD provided revised construction plan sheets to DSOD in response to minor comments. Final plans are still in review with DSOD.

### **Pumping Plant 1**

- Continuing development of the 90% design plans.

### **Risk Management**

- An 8-Point Plan for Risk Reduction has been shared with the member agencies and is currently being reviewed and in discussed in the 1:1 meetings. Consolidated comments will be drafted and presented at the next general managers meeting on 3/26.

## Design Updates

### Transfer-Bethany Pipeline

- Preliminary work continues with respect to geotechnical analysis, right-of-way, alignment planning, permitting and the 30% design. CCWD staff have met with landowners and stakeholders along the pipeline alignment where the alignment will impact existing conservation easements.
- Next steps include executing agreements with county agencies for reimbursement of their time working on this Project, drafting an MOU, and identifying precise right-of-way needs on the parcels under conservation easement.

# LVE JPA Summary Schedule

March 13, 2024



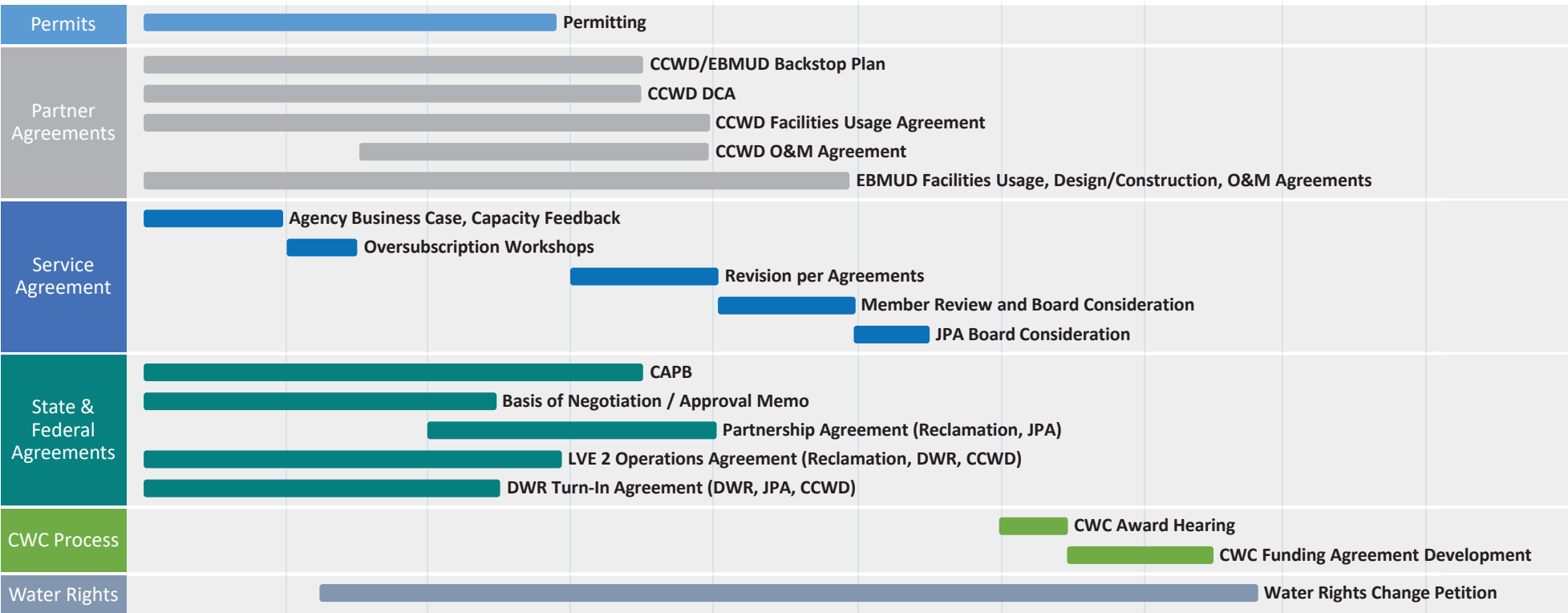
CWC Funding Agreement Signed

2023

2025



Today





# Next Steps

- Continued Vetting of DCA Risk Reduction Strategy
- Development of Resequencing Memo
- Seek Member Approval of MPA #6
- Manage Agreement Issues Resolution

## **REPORTS**

### **ITEM 4.1     DIRECTOR REPORTS**

#### **Alternate Director Ritchie, DCA Ad Hoc Committee Chair**

The DCA Ad Hoc Committee convened on February 22, 2024 to review the draft Design and Construction Agreement as provided by CCWD. The key issues that were identified related to adhering to the CCWD Board Principles and identifying a strategy to mitigate perceived risks by the JPA. A strategy to mitigate the risks assumed by the JPA in the agreement was presented to the Ad Hoc Committee. During the meeting, comments were incorporated to refine the mitigation strategy and it was determined that the proposed strategy would be further discussed with the general managers during the February 26, 2024 meeting.

## **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 February 16 meeting agenda included a report from CCWD on the February 7 CCWD Board of Directors meeting during which LVE agreements were discussed. Additionally, the EMT discussed coordination on agreements including Design and Construction Agreement, Multi-Party Agreement Amendment #6, and DWR Turn-In Agreement, as well as recent technical work sessions with the Bureau of Reclamation. Authority staff shared an update on the progress of Capacity Allocation and Operations Subgroup. The next meeting is set for March 15.

**Proposition 1 WSIP Roundtable** – The Proposition 1 WSIP project representatives met on February 28 to discuss individual project status and coordinate on key issues related to state (and federal) agency implementation of the WSIP, including CAPB and Funding Agreement development. The collaborative effort to communicate on behalf of the WSIP Projects has been very productive and helpful when engaging with the State.

**Implementation of Capital Preservation Strategy** – Per the Authority Board direction to implement the Capital Preservation Strategy, the Executive Director amended several consultant contracts reducing the scopes of work. The Natural Resource Results/Water and Power Law Group contract was amended and fully executed in February. See attached. The amendment for the Clean Energy Capital contract is currently under review by Consultant. The Board-approved amendment to the Hallmark Group contract for Program Management Services was fully executed on March 4, 2024.

### **EXHIBITS/ATTACHMENTS:**

- Natural Resource Results/Water and Power Law Group Amendment (fully executed)
- Amendment to Hallmark Group Contract for Program Management Services (fully executed)

**FIRST AMENDMENT TO  
AGREEMENT FOR PROFESSIONAL GOVERNMENT RELATIONS SERVICES  
LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY**

This First Amendment to Agreement for Professional Government Relations Services – Los Vaqueros Reservoir Joint Powers Authority is entered into and effective as of this 14<sup>th</sup> day of February, 2024 by and between the Los Vaqueros Reservoir Joint Powers Authority, a joint exercise of powers agency (the “Authority”), and Natural Resource Results, LLC and Water and Power Law Group PC (jointly, the “Consultant”), with respect to the following:

**RECITALS**

- A. The Authority and Consultant entered into an agreement effective as of May 16, 2023 (the “Agreement”) under which the Authority engaged Consultant to provide the Authority with governmental relations consulting services as described in Attachment A to the Agreement in exchange for compensation of \$15,000 per month.
- B. The Authority and Consultant now desire to amend the Agreement to adjust the compensation to be paid to Consultant, as specified below; and to amend Consultant’s Scope of Work as specified below.

NOW, THEREFORE, for good and valuable consideration, the Authority and Consultant agree as follows:


- 1. Attachment A is deleted in its entirety and is replaced with Attachment A attached hereto and incorporated herein by this reference.
- 2. Except as amended by Section 1, above, the Agreement shall remain unchanged and continue in full force and effect.

**Los Vaqueros Reservoir Joint Powers Authority**

By:   
Name: Taryn Ravazzini  
Title: Executive Director

Date: 2/15/24

**CONSULTANT:**

By:   
Name: David Anderson  
Title: Managing Partner

Date: 2/1/24

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Authority Legal Counsel

**ATTACHMENT A**  
**Scope of Work / Project Fees**

**A. Scope of Work**

Consultant shall complete the following tasks, which may be performed concurrently:

1. Working with the Authority, develop a strategic approach for federal government relations to achieve Authority goals and objectives. The advocacy plan shall include, but not be limited to, meetings and other communications with Biden-Harris Administration officials and Members of Congress and their staffs as needed throughout the year.
2. Initiate or build upon coordination among the lobbyists representing the various Member Agencies, including, but not limited to, Contra Costa Water District and Grassland Water District, to ensure timely communication and effective advocacy.
3. Build upon existing work and communications with the U.S. Bureau of Reclamation at both regional and Washington, D.C. levels, to provide strategic advice regarding development and negotiation of funding and operations agreements necessary for execution of a federal Record of Decision.

**B. Project Fees; Travel Expenses**

Consultant shall complete the tasks described in this scope of work for compensation of \$10,000.00 per month. Consultant shall inform the JPA's Executive Director in advance of any proposed travel on behalf of the JPA related to services being provided under this Agreement. The JPA's Executive Director must approve any such travel expenses in advance. Such travel expenses shall not exceed \$10,000.00 over the term of this Agreement.

# 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 California Water Commission 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
<b>Hallmark Group</b>		640	<b>\$ 150,000</b>
<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	\$ -

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**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.

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

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**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.

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**CONTACT PERSONS**

<b>LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY</b>	<b>HALLMARK GROUP</b>
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



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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**

DocuSigned by:  
*Taryn Ravazzini*  
57EB307BDE02414

DocuSigned by:  
*Chuck Gardner*  
D04A139ACBDD4A1...

Taryn Ravazzini  
Executive Director

Charles R. Gardner Jr.  
President

3/4/2024

2/29/2024

Date

Date

#### 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 – March 2024

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#### Appropriations

On Sunday, March 4<sup>th</sup>, congressional leaders released the text of six of the twelve FY24 appropriations bills, including the bills that fund the Bureau of Reclamation (Energy & Water) and the EPA (Interior). Unfortunately, the Energy & Water Appropriations bill did not include additional WIIN Act funding for LVE.

The absence of funding for LVE should not be viewed as a lack of congressional support for the project. Under the WIIN Act, Congress can only fund those projects that Reclamation requests to be funded. As a reminder, Reclamation sends a list of proposed funding allocations for storage projects to Congress each year (this list was sent on July 25, 2023). This list shows Congress how Reclamation plans to allocate previously appropriated WIIN Act Storage Account funding. Reclamation cannot allocate that funding until Congress has “approved” the list, which occurs by specifically referencing each of the projects in an appropriations bill. As it turns out, in FY24, Reclamation only requested funding for Sites, thus Sites was the only project named in the FY24 Energy & Water bill.

Based on our recent conversations with Reclamation headquarters regarding funding for LVE (BIL or WIIN), we suggest that the JPA continue to work closely with regional office staff to ensure that there is alignment between all parties as it pertains to future funding. We understand the JPA and CCWD teams have a meeting with Reclamation March 11<sup>th</sup> and 12<sup>th</sup> as a follow-up to previous discussions about reaching agreement on how to quantify benefits that accrue to the United States from investing in LVE. Resolution of this issue should remove any remaining impediments for the release of additional funding from Reclamation.

The following are additional items of note from the FY24 funding bills:

- \$72.2 million for EPA WIFIA (FY23 Enacted = \$75.6)
  - EPA’s budget was cut by almost \$1 billion so this small reduction should be viewed as a win.
- \$134 million for the WIIN Act Storage Account (FY23 Enacted = \$134 million)
  - This is funding that LVE will continue to be eligible for.
- The text of H.R. 215, Congressman Valadao’s WATER for California Act was not included in the final funding package (it was in the House version of Energy & Water).

#### **4.2.2 FEBRUARY 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 on February 15, 2024. Reclamation participants included regional leadership and representatives from Denver’s Policy group. 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 2-day technical session to inform the Partnership Agreement on March 11 and 12.
- Continuing to track development of Reclamation’s Basis of Negotiation (BON), which will result in an Approval Memo from the Commissioner and allow for formal negotiations on the Partnership Agreement to commence.

**Monthly List of Authority Contracts Entered into by Executive Director**

**February 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

**DISCUSSION:**

There were no LVR JPA Committees convened in February 2024 due to cancellations.

**RECOMMENDATION:**

None.

**ALTERNATIVES:**

Not applicable.

**FISCAL ANALYSIS:**

Not applicable.

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable.

**EXHIBITS/ATTACHMENTS:**

- None