



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY  
AGENDA**

Regular Meeting of the Board of Directors  
May 11, 2022 – 9:30 a.m.

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**SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY**

Pursuant to the provisions of Government Code Section 54953(e), as amended by Assembly Bill 361, any Director and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Zoom link below without otherwise complying with the Brown Act’s teleconference requirements.

**Please click the link below to join the webinar:**

**<https://lagerlof.zoom.us/j/82264614906>**

**Or One tap mobile:**

**US: +16699006833,,82264614906#**

**Or Telephone:**

**US: +1 669 900 6833**

**Webinar ID: 822 6461 4906**

Any member of the public wishing to make any comments to the Board of Directors may do so by accessing the above-referenced link where they may select the option to join via webcam or teleconference. Members of the public may also submit written comments to the Interim Clerk by 4:00 p.m. on the day prior to the meeting for the Interim Clerk to read into the record (subject to three-minute limitation). The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making their comment. Members of the public will be disconnected from the meeting prior to any Closed Session, if applicable.

*NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the Authority’s Interim Clerk at [rperea@lagerlof.com](mailto:rperea@lagerlof.com) by 4:00 p.m. on May 10, 2022 to inform the Authority of your needs and to determine if accommodation is feasible. Each item on the Agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item. Materials related to items on this Agenda are available for public review at: [www.losvaquerosjpa.com/board-meetings](http://www.losvaquerosjpa.com/board-meetings).*

## **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  
TBD, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District  
Dennis Herrera, Director, San Francisco Public Utilities Commission  
Gary Kremen, Director, Santa Clara Valley Water District [to be sworn in]  
TBD, Director – Ex Officio - Department of Water Resources

## **ALTERNATE DIRECTORS**

Jonathan Wunderlich, Alternate Director, Alameda County Water District  
Ernesto Avila, Alternate Director, Contra Costa Water District  
Lesla 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  
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District  
Sandy Figuers, Alternate Director, Zone 7 Water Agency  
TBD, Alternate Director – Ex Officio, Department of Water Resources

## **CONSIDER ADOPTION OF RESOLUTION NO. 5-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM MAY 8, 2022 TO JUNE 6, 2022 PURSUANT TO BROWN ACT PROVISIONS.**

## **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 April 13, 2022 Board of Directors Meeting**

## **ACTION ITEMS**

- 2.1 Consider adoption of Resolution No. 5-22-02 – Resolution of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority Approving Submittal of a Letter of Interest to Apply for a Loan Provided under the Water Infrastructure Finance and Innovation Act**

## **DISCUSSION ITEMS**

- 3.1 FY 23 Budget Overview**
- 3.2 Review of Board Policy and Action Calendar**

## **FUTURE AGENDA ITEMS**

## **REPORTS**

- 4.1 Directors**
- 4.2 Treasurer (oral report on revised Treasurer’s Report procedures)**
- 4.3 Interim General Counsel**
- 4.4 Deputy Interim Administrator**
- 4.5 Finance Committee March 31, 2022 Meeting Minutes**

## **ADJOURNMENT**

**CONSIDER ADOPTION OF RESOLUTION NO. 5-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM MAY 8, 2022 TO JUNE 6, 2022 PURSUANT TO BROWN ACT PROVISIONS.**

**RESPONSIBLE/LEAD STAFF MEMBER:**

James Ciampa, Interim General Counsel

**RECOMMENDATION:**

That the Los Vaqueros Reservoir Joint Powers Authority (Authority) Board of Directors' (Board) approve the above-referenced resolution making certain findings to allow for the Authority's Board meetings to continue to be conducted remotely by teleconference without compliance with the Brown Act's established teleconference meetings requirements, as permitted by AB 361, while ensuring public access to such Board meetings.

**DISCUSSION:**

At the November 10, 2021 Board of Directors' meeting, the Board approved Resolution No. 11-21-01, which authorized the Board to conduct its meetings virtually by video conference. That resolution made certain findings as required by Assembly Bill 361 (AB 361) with respect to such remote meetings. That resolution has been continued at the subsequent Board meetings.

AB 361 requires that a subsequent resolution be adopted every 30 days to make findings that the emergency conditions justifying such remote meetings continue to exist. Attached Resolution No. 5-22-01 sets forth those required findings to allow for continued remote teleconferenced Board meetings, including that requiring in-person attendance at meetings of the Board would pose an imminent risk to the health and safety of those in attendance, while ensuring public access to those meetings. The attached resolution is substantially similar to the resolutions the Board previously adopted.

The resolution will take effect immediately and will be effective for 30 days, or until such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board may continue to meet by teleconference without compliance with Government Code section 54953(b)(3).

**ALTERNATIVES:**

If the Board does not adopt the resolution, in-person attendance will be required, or for those calling in, compliance with the notice and posting, in-person participation, and quorum requirements in Government Code section 54953(b)(3) would be required.

**FISCAL ANALYSIS:**

Not applicable

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable

**EXHIBITS/ATTACHMENTS:**

Resolution No. 5-22-01

**RESOLUTION NO. 5-22-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM MAY 8, 2022 TO JUNE 6, 2022 PURSUANT TO BROWN ACT PROVISIONS.**

WHEREAS, the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) is committed to preserving and nurturing public access and participation in meetings of its Board of Directors; and

WHEREAS, all meetings of the Authority’s Board of Directors are to be open and public, as required by the Ralph M. Brown Act (California Government Code Sections 54950 – 54963), so that any member of the public may attend, participate, and watch the Board conduct its business; and

WHEREAS, the Brown Act, in Government Code Section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body without compliance with the requirements of Government Code Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition for application of Section 54953(e) is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the Authority’s boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Authority’s Board of Directors previously adopted Resolutions finding that the requisite conditions exist for the Authority’s Board of Directors to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953; and

WHEREAS, such conditions continue to exist in the Authority’s geographical jurisdiction, specifically, a state of emergency has been proclaimed in the State of California pertaining to the threat to the health, safety and well-being of the Authority’s directors, staff, vendors, contractors, customers and residents presented by COVID-19, and its Delta, Omicron and possibly other variants, which remain highly contagious; and

WHEREAS, orders and guidance from local counties and regulations from the State of California impose limitations on gatherings and provide guidance on best practices with respect to actions to reduce the spread of COVID-19; and

WHEREAS, allowing all individual members of the Authority's Board of Directors and staff to travel from various areas around the state to meet in person would present an imminent risk to the health and safety of attendees given the spread of the Delta, Omicron and other variants of the COVID-19 virus throughout the state; and

WHEREAS, the Authority's Board of Directors does hereby find that the continuing state of emergency poses imminent risks to attendees and has caused, and will continue to cause, conditions of peril to the safety of persons within the Authority's jurisdiction that are likely to be beyond the control of services, personnel, equipment, and facilities of the Authority, and the Board of Directors desires to re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the continuing local emergency, the Board of Directors does hereby find that the Authority's Board of Directors and any Authority committees shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Section 54953, and shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Section 54953; and

WHEREAS, the Authority will provide proper notice to the public regarding all Authority Board of Directors' and committee meetings, in accordance with Government Code Section 54953(e)(2)(A) and shall provide notice to the public of how they may access any such meeting via call-in number and/or internet link.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation Regarding Local Emergency. The Board of Directors hereby proclaims that a local emergency continues to exist in the geographical jurisdiction of the Authority and allowing individual members of the Authority's Board of Directors and members of the public to meet in person would present an imminent risk to the health and safety of attendees, and that conducting Authority Board of Directors virtually will minimize the possible spread COVID-19 and any variant thereof.

Section 3. Re-Ratification of Governor's Proclamation of a State of Emergency. The Board hereby again ratifies the Governor of the State of California's Proclamation of State of Emergency regarding COVID-19, dated March 4, 2020.

Section 4. Remote Teleconference Meetings. The Interim Administrator, Authority staff and the Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and

public meetings in accordance with Government Code Section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) the expiration of thirty (30) days from the date this Resolution was adopted, as set forth below, or (ii) such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors of the Authority may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 11th day of May, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Angela Ramirez Holmes, Chair

Attest:

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Ellen Wehr, Secretary

**CONSENT CALENDAR**

**ITEM 1.1: APPROVAL OF MINUTES FROM APRIL 13, 2022 BOARD OF DIRECTORS MEETING**

**RESPONSIBLE/LEAD STAFF MEMBER:**

James Ciampa, Interim General Counsel

**RECOMMENDATION:**

That the Authority's Board of Directors approve the attached minutes from the April 13, 2022 Board of Directors meeting.

**DISCUSSION:**

The Interim Clerk, Interim General Counsel, Interim Administrator and Secretary have prepared the attached draft minutes from the April 13, 2022 Board of Directors meeting.

**ALTERNATIVES:**

Any suggested revisions to the draft April 13, 2022 Board meeting minutes will be considered.

**FISCAL ANALYSIS:**

Not applicable

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable

**EXHIBITS/ATTACHMENTS:**

Draft minutes from April 13, 2022 Board of Directors meeting.



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY  
MINUTES**

Regular Meeting of the Board of Directors  
April 13, 2022 – 9:30 a.m.

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**CALL TO ORDER** at 9:31 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  
Lisa Borba, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District

**ALTERNATE DIRECTORS**

Jonathan Wunderlich, Alternate Director, Alameda County Water District  
Ernesto Avila, Alternate Director, Contra Costa Water District  
Ricardo Ortega, Alternate Director, Grassland Water District  
\*Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
\*Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District  
Sandy Figuers, Alternate Director, Zone 7 Water Agency

\*Alternate Directors who replaced absent Directors from their member agencies

**ABSENT**

Gary Kremen, Director, Santa Clara Valley Water District [to be sworn in]  
Dennis Herrera, Director, San Francisco Public Utilities Commission  
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority  
Lesa McIntosh, Alternate Director, East Bay Municipal Utility District

**OTHERS PRESENT**

Marguerite Patil, Interim Administrator  
James Ciampa, Lagerlof, LLP, Interim General Counsel  
Rosemarie Perea, Interim Board Clerk

Diane Schmidt, Lagerlof, LLP  
David Moore, Clean Energy Capital  
Maureen Martin, Contra Costa Water District  
David Gordon, Department of Water Resources  
Approximately 16 others

**CONSIDER ADOPTION OF RESOLUTION NO. 4-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM APRIL 8, 2022 TO MAY 7, 2022 PURSUANT TO BROWN ACT PROVISIONS.**

AB 361 requires that a subsequent resolution be adopted every 30 days to make findings that the emergency conditions justifying such remote meetings continue to exist. Attached Resolution No. 4-22-01 sets forth those required findings to allow for continued remote teleconferenced Board meetings, including that requiring in-person attendance at meetings of the Board would pose an imminent risk to the health and safety of those in attendance, while ensuring public access to those meetings. The attached resolution is substantially similar to the resolutions the Board previously adopted.

The resolution will take effect immediately and will be effective for 30 days, or until such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code Section 54953(e)(3) to extend the time during which the Board may continue to meet by teleconference without compliance with Government Code Section 54953(b)(3).

After discussion and upon motion by Alternate Director Ritchie, seconded by Director Borba, Resolution No. 4-22-01 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  
Lisa Borba, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District  
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

Interim General Counsel, James Ciampa, advised that two written public comments were received on March 9, 2022 and March 12, 2022, respectively, from Leland Frayseth regarding the Los Vaqueros Reservoir Expansion Project and the Proforma Financial Model for the project. Staff responded to thank Mr. Frayseth for his comments.

## **CONSENT CALENDAR**

### **1.1**

#### **APPROVAL OF MINUTES FROM MARCH 9, 2022 BOARD OF DIRECTORS' MEETING**

Upon motion by Treasurer Sethy, seconded by Director Coleman, the March 9, 2022 Minutes, in the form presented, were 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  
Lisa Borba, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District  
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

## **ACTION ITEMS**

### **2.1**

#### **CONSIDER ADOPTION OF ORDINANCE NO. 01-2022 – AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ADOPTING AND IMPLEMENTING CLAIMS PROCEDURES**

Interim General Counsel, James Ciampa, advised that in accordance with Government Code Section 935, a draft ordinance setting forth the Authority's Claims Procedures was presented at the March 9 Board meeting. No further comments were received to that draft Ordinance.

Directors Borba and Coleman thanked staff for the excellent job in formulating these claims procedures and other policies. After discussion and upon motion by Director Borba, seconded by Director Coleman, and unanimously carried, Ordinance No. 01-2022 Adopting and Implementing Claims Procedures was adopted 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  
Lisa Borba, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District  
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

## 2.2

### **CONSIDER ADOPTION OF RESOLUTION NO. 4-22-02 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ADOPTING THE STATE CEQA GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CALIFORNIA CODE OF REGULATIONS, TITLE 14, CHAPTER 3) AND ADOPTING ENVIRONMENTAL REVIEW PROCEDURES**

Interim General Counsel Ciampa informed the Board that the California Environmental Quality Act (“CEQA”), in Public Resources Code Section 21082, requires that all public agencies adopt their own guidelines and procedures to implement CEQA. Section 15022(d) of the State of California CEQA Guidelines authorize a local agency to adopt the State CEQA Guidelines by incorporation by reference to those regulations. The resolution being presented would adopt the State CEQA Guidelines, as they may be subsequently amended, as the Authority’s CEQA Guidelines. Mr. Ciampa stated this resolution had been presented to the Board of Directors at the March 9 Board meeting and no comments were received to that draft.

After discussion and upon motion by Alternate Director LeZotte, seconded by Director Borba, and unanimously carried, Resolution No. 4-22-02 Adopting the State CEQA Guidelines for Implementing the California Environmental Quality Act (California Code of Regulations, Title 14, Chapter 3) and Adopting Environmental Review Procedures, was adopted 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  
Lisa Borba, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District  
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

## 2.3

### **CONSIDER ADOPTION OF RESOLUTION NO. 4-22-03 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ESTABLISHING ITS INVESTMENT POLICY**

Interim General Counsel Ciampa stated that Government Code Section 53646(a)(2) provides that a local agency may adopt a statement of investment policy to govern the investment of any surplus monies. Mr. Ciampa stated the Investment Policy being presented generally tracks various provisions of the Government Code and he then reviewed pertinent provisions of that policy.

Mr. Ciampa stated the Finance Committee approved the draft Investment Policy at its March 31, 2022 meeting, but subsequent discussions resulted in proposed changes to the draft Policy, which are redlined in the version presented to the Board. Mr. Ciampa then specifically reviewed those proposed changes.

Chair Ramirez Holmes pointed out the provision in the staff report that stated the Policy also delegates certain investment-related decisions to the Treasurer, although with the Authority's unique structure, the intent is for the Treasurer to provide oversight of such decisions in working with Authority staff and contractors.

Treasurer Sethy noted the Finance Committee gave Resolution No. 4-22-03 a thorough review prior to presenting it for Board approval. After discussion and upon motion by Treasurer Sethy, seconded by Vice Chair Hansen, and unanimously carried, Resolution No. 4-22-03 Establishing Its Investment Policy, was adopted 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  
Lisa Borba, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District  
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

## 2.4

### **CONSIDER ADOPTION OF RESOLUTION NO. 4-22-04 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY ESTABLISHING DEBT MANAGEMENT POLICY**

Interim General Counsel Ciampa then reviewed the draft Debt Management Policy that also was recommended for approval by the Finance Committee. Mr. Ciampa provided an overview of the draft Policy.

Chair Ramirez Holmes asked for clarification with respect to the reference to a capital improvement program set forth on page 44 of the agenda packet and regarding the role of Disclosure Counsel in preparing official statements on bond issuances. Interim Administrator Patil provided further information regarding the Authority's contemplated capital projects. Interim General Counsel Ciampa stated he would add a provision to include preparation of official statements in the Disclosure Counsel's functions.

After discussion and upon motion by Director Coleman, seconded by Treasurer Sethy, and unanimously carried, Resolution No. 4-22-04 Establishing Debt Management Policy, was adopted 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  
Lisa Borba, Director, Contra Costa Water District  
John Coleman, Director, East Bay Municipal Utility District

Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission  
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

## **DISCUSSION ITEMS**

### **3.1**

#### **JPA BOARD IN-PERSON MEETINGS**

Interim Administrator Patil started the discussion regarding the current status of public meetings. Interim General Counsel Ciampa then reviewed the memorandum he had prepared that summarized the pre-COVID-19 Brown Act requirements for teleconference participation in Board meetings and the current requirements under AB 361 for such remote participation. He then reviewed the three options for meetings once the requirements of AB 361 can no longer be met: (i) fully in-person meetings, (ii) hybrid meetings and (iii) fully virtual meetings.

Directors and Alternate Directors stated their preferences with respect to future Board meetings, with the consensus of the Board, due to the wide geographical spread of the Authority's Members, being to continue with fully virtual meetings as long as legally possible and then moving to a hybrid approach, with some Directors and Alternate Directors attending in person and others by video conference.

A question was raised by Alternate Director LeZotte regarding whether Alternate Directors are subject to the pre-COVID-19 Brown Act teleconference requirements. Interim General Counsel Ciampa will research that issue and report back at the May 11 Board meeting.

### **3.2**

#### **WIFIA FUNDING APPROACH**

Interim Administrator Patil advised that the Water Infrastructure Finance and Innovation Act ("WIFIA") was enacted by Congress to accelerate investment in water infrastructure projects by providing long-term, low-cost supplemental loans for regionally and nationally significant projects. Ms. Patil stated that WIFIA provides a suitable and cost-effective financing alternative for the Authority in place of bond issuances.

David Moore of Clean Energy Capital, the financial consultant who has been working with the Local Agency Partners on the Phase 2 Los Vaqueros Reservoir Expansion Project for the past several years, then reviewed the WIFIA funding process and proposed next steps in the process for the Authority to obtain funding under WIFIA.

### **3.3**

#### **REVIEW OF BOARD POLICY AND ACTION CALENDAR**

Interim Administrator Patil provided the updated Board Policy and Action Calendar for the Board's information. The Calendar is presented in outline form including Authority Board meeting items by month for the next six months. In addition, the overview graphic is included, organized by functional area to show potential discussion and action items for Authority Board and Committee meetings for 2022 and early 2023.

## **FUTURE AGENDA ITEMS**

None.

## **REPORTS**

### **4.1 – Directors**

Chair Ramirez Holmes advised that the Ad Hoc Committee on the Executive Director Recruitment, consisting of her and Alternate Directors Gutierrez and Ritchie, had met. Chair Ramirez Holmes also mentioned that members of the Board who are planning to attend the ACWA Spring Conference should take the opportunity to meet in person to get to know each other. More information on a possible event will be forthcoming.

Director Borba announced that she will be resigning from the CCWD Board at the end of the month and thus would also be leaving this Board. She thanked the Board for the opportunity to serve over the past few months.

### **4.2 - Treasurer**

Treasurer Paul Sethy referred to the Treasurer's Report included in the Board packet. The next meeting of the Finance Committee will be held on April 28, 2022 at 3:00 p.m. Interim Administrator Patil advised that she is working with the Finance Committee on how to present the Treasurer's Report at subsequent Board meetings.

### **4.3 - Interim General Counsel**

Interim General Counsel Ciampa advised the Board that a Public Records Act request was received from Leland Frayseth on March 13, 2022, seeking information on bond documents and other financial documents related to the Authority's purported bond issuance. The Authority responded as required under that Act and informed Mr. Frayseth the requested records are not available because the Authority has not issued any bonds. Mr. Ciampa further reported that he is working on the committee Charters and will have the draft Charter for the Finance Committee ready for its April 28 meeting, with the Operations and Engineering and Communications and Outreach Charters ready for their May meetings.

### **4.4 - Interim Administrator**

Interim Administrator Patil stated the Authority received a letter from the California Water Commission making a 1.5% inflation adjustment to the Maximum Conditional Eligibility Determination, equating to over a \$7 million increase in the award for the Project. The letter will be posted to the Authority's website. Staff is working on the contract with the Executive Director recruiting firm. Ms. Patil also informed the Board that she is working with the Department of Water Resources (DWR) on a memorandum of understanding concerning DWR's role in filling the Ex Officio Director position.

The meeting was adjourned at 11:04 a.m.

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Angela Ramirez Holmes, Chair

ATTEST:

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Ellen Wehr, Secretary

## **ACTION ITEMS**

**ITEM 2.1: CONSIDER ADOPTION OF RESOLUTION NO. 5-22-02 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY APPROVING SUBMITTAL OF LETTER OF INTEREST TO APPLY FOR A LOAN PROVIDED UNDER THE WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT**

### **RESPONSIBLE/LEAD STAFF MEMBER:**

Maureen Martin, Deputy Interim Administrator

### **RECOMMENDATION:**

That the Authority's Board of Directors adopt Resolution No. 5-22-02 to approve the submittal of a Letter of Interest (LOI) to the U.S. Environmental Protection Agency (USEPA) to express the intent of the Authority to apply for a loan under the Water Infrastructure Finance and Innovation Act (WIFIA) as administered by the USEPA.

### **DISCUSSION:**

Staff has continued to work closely with Clean Energy Capital, the financial consultant who has been working with the Authority, to continue to develop the plan for the proposed WIFIA loan application as presented at the April 13 Board of Directors meeting. The submittal of a LOI to the USEPA does not commit the Authority to submit a WIFIA loan application, but it is a mandatory step in the process so the Authority can be evaluated for eligibility by the USEPA. Staff recommends that the Authority submit a LOI for a WIFIA loan amount not to exceed \$675,000,000, and that the Authority authorize staff to develop and submit the LOI following the posting of the USEPA's 2022 Notice of Funding Availability (NOFA) that is anticipated within the next one to two months. The requested loan amount is an estimate that reflects 49% of eligible project costs, the statutory lending limit under the WIFIA program. Eligible project costs have been estimated based on development and construction cost estimates that were previously prepared for the Final Feasibility Report assuming 2018 dollars, with development and construction costs increased by 45% to reflect escalation to mid-point construction (assumed in 2026) and including an additional allowance to account for recent inflationary trends that may result in significantly higher construction costs than previously estimated.

This requested loan amount, if received, would greatly reduce or even eliminate the need to issue Revenue Bonds for the Authority's construction cost share of the Phase 2 Los Vaqueros Reservoir Expansion Project. It would also reduce reliance on future appropriations under the Water Infrastructure Improvements for the Nation Act (WIIN) and Bipartisan Infrastructure Law (BIL), while fully utilizing all federal appropriations received to date and that may be secured in future years. The requested loan amount is for LOI purposes only and can be revised upwards or downwards in the WIFIA loan application that will initiate Phase 2 of the WIFIA borrowing process. Final loan agreements under the WIFIA program treat the loan amount as a not-to-exceed limit. This program feature provides the Authority with flexibility to accept additional comparable appropriations and grants as may be realized during the construction program and reduce the actual

amount of WIFIA borrowing to amount below the not-to-exceed limit. A summary of potential Sources and Uses of Funds is attached.

**ALTERNATIVES:**

The Board could opt to delay approving the submittal of the LOI or determine not to proceed with attempting to procure funding under the WIFIA program, which would likely result in increased borrowing costs.

**FISCAL ANALYSIS:**

See attached Summary of Sources and Uses of Funds

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable

**EXHIBITS/ATTACHMENTS:**

Resolution 5-22-02 and Summary of Sources and Uses of Funds

**RESOLUTION NO. 5-22-02**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS  
RESERVOIR JOINT POWERS AUTHORITY APPROVING SUBMITTAL  
OF LETTER OF INTEREST TO APPLY FOR A LOAN PROVIDED UNDER THE  
WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT**

WHEREAS, the Water Infrastructure Finance and Innovation Act (WIFIA) was enacted by the United States Congress to accelerate investment in water infrastructure projects by providing long-term, low-cost supplemental loans for regionally and nationally significant projects; and

WHEREAS, the WIFIA program is administered by the U.S. Environmental Protection Agency (USEPA) and provides for beneficial financing terms that may be made available to the Authority, including, but not limited to, a single interest rate to be used, which is tied to the U.S. Treasury rate for a similar maturity (currently, that rate for a 30-year loan would be 2.60%), that would apply even if draws from the loan are deferred; and

WHEREAS, the Phase 2 Los Vaqueros Reservoir Expansion Project is the type of infrastructure project for which funding under WIFIA is available; and

WHEREAS, the Authority's Interim Administrator and the finance staffs from the Authority's Members have reviewed preliminary financial calculations of obtaining a loan through the WIFIA program and have determined procuring such WIFIA loan financing would likely reduce the need for the Authority to issue revenue bonds and would result in significant interest and issuance cost savings; and

WHEREAS, the Authority's Board of Directors finds and determines that it is in the best interest of the Authority and its Members to begin the process of procuring funding under the WIFIA program by submitting a Letter of Interest to the USEPA to notify USEPA of the Authority's intent to pursue such a loan under that program,

NOW, THEREFORE, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority hereby approves the Authority's submittal to USEPA, as soon as is permissible and practicable, of a Letter of Interest to procure a loan under the WIFIA program, and authorizes the Interim Administrator to take all necessary actions in connection with the submittal of that Letter of Interest.

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 11th day of May, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Angela Ramirez Holmes, Chair

Attest:

---

Ellen Wehr, Secretary

Summary of Sources and Uses of Funds

<u>SOURCES OF FUNDS (\$000s)</u>	<i>Total</i>		
WSIP Funding	477,558	35%	(1)
<b>WIFIA Loan</b>	<b>673,940</b>	<b>49%</b>	<b>(2)</b>
WIIN Act Funding	64,000	5%	
Additional Federal Appropriations and/or Revenue Bonds	159,890	12%	(3)
Total Sources of Funds	1,375,388	100%	

<u>USES OF FUNDS (\$000s)</u>		
Development and Construction Costs	1,300,719	(4)
Repayment of Partner Contributions (w/ Interest)	15,200	
Financing Cost and Reserves	25,923	
Other, Miscellaneous, and Contingency	33,546	
Total Uses of Funds	1,375,388	

Notes:

- (1) Maximum Conditional Award from California Water Commission through the Water Storage Investment Program (WSIP). Potential future inflation adjustments are not included.
- (2) Maximum WIFIA loan assumed, 49% of total uses of funds. Rounded to \$675M.
- (3) Additional federal appropriations (WIIN Act and/or BIL) and/or revenue bonds to ensure full funding for all uses of funds.
- (4) Development and construction costs are sourced from the 2020 Final Federal Feasibility Report; \$895M in 2018 dollars escalated at 4.5% per year to mid-point of construction in 2026. This is the equivalent of a 45% increase in development and construction cost over 2018 estimates. All cost estimates are preliminary and subject to change.

**ITEM 3.1: FY23 BUDGET OVERVIEW**

**RESPONSIBLE/LEAD STAFF MEMBER:**

Maureen Martin, Deputy Interim Administrator

**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. The Budget may be adopted on a single Fiscal Year or bi-annual basis, in the Board of Directors' discretion. In prior Board of Directors' meetings, the Board was provided an overview of the Budget development process and the Board concurred with the Interim Administrator's recommendation to proceed with development of Budget for a single Fiscal Year 2023 ("FY23", for the period of July 1, 2022 through June 30, 2023). This item will provide the Board of Directors with further details on the status of that process, provide an overview of the Draft FY23 Budget at this stage, and allow the Directors and Alternate Directors to provide input regarding the Draft FY23 Budget.

**ALTERNATIVES:**

For discussion purposes

**FISCAL ANALYSIS:**

Fiscal impact will vary based upon the approved FY23 Budget

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable

**EXHIBITS/ATTACHMENTS:**

Slide deck regarding FY23 Budget development



**Los Vaqueros Reservoir  
Joint Powers Authority  
Regular Board Meeting  
Agenda Item 3.1 - FY23 Budget Overview**

**May 11, 2022**

## Goals for Agenda Item 3.1

- **Review JPA Agreement budget requirements and sources of funds**
- **Get feedback on proposed FY23 Budget development approach and structure**
- **Discuss next steps and revisions needed ahead of bringing the Final FY23 Budget to the Board on June 8 for consideration of adoption**

## **JPA Agreement: Budget**

**Section 7 of JPA Agreement includes terms regarding finances**

- **Fiscal year established as July 1 – June 30**
- **JPA Board approves single or bi-annual budget at their discretion**
- **Includes provisions for:**
  - **Capital**
  - **Operating**
  - **Reserves**



## Key Milestones in FY23

- **Hire Executive Director (contractor to JPA)**
- **Competitively procure Program Management Consultant**
- **Complete Permitting**
- **Execute Contracts for Administration of Public Benefits (with DWR and CDFW)**
- **Apply for WIFIA Loan for construction costs**
- **Execute Service Agreements**
- **Prepare for California Water Commission (CWC) Final Award Hearing**



# **JPA FY23 Budget Overview**

## **Purpose of FY23 Budget**

- **Meet requirements of JPA Agreement**
- **Provide for smooth transition of LVE banking services from CCWD to JPA in early 2023**
- **Establish procedures for budget development, review and adoption**
- **Determine JPA Member cost share for Multiparty Cost Share Agreement Amendment No. 4 and Interim Funding Agreement**
- **Support acquisition of JPA insurance**
- **Provide adequate funding for ongoing activities to support completion of key milestones in alignment with JPA Major Policy Calendar**



## JPA FY23 Budget Overview (cont.)

### Key Assumptions

- **CWC Early Funding Agreement fully expended in FY23**
- **\$50 million in WIIN Act construction funding not under contract until FY24**
- **Budget task structure aligns with CWC Early Funding Agreement and Multiparty Agreement**
- **No new starts of engineering or construction included in FY23**



# JPA FY23 Budget Overview (cont.)

## Outline of FY23 Budget Document

- **Agency Background Information**
- **Sources of Funds**
- **Use of Funds**
  - **Capital**
  - **Operating**
  - **Reserves**





# FY23 Budget Summary

Source of Funds	\$1,000
State	\$4,100
Federal	\$5,100
Local	\$10,800
Carryover from FY22	\$2,500
Total	\$22,500

Use of Funds	\$1,000
JPA Services	\$1,400
CCWD Services	\$13,400
CCWD Labor	\$6,400
Contingency	\$1,300
Total	\$22,500

- **JPA Services: Services that are contracted with JPA**
- **CCWD Services: Services that are contracted with CCWD**





# Sources of Funds in FY23

## State

- **Early Funding Agreement (ongoing thru December 2022)**
  - **Between CCWD and CWC**
  - **Seeking an amendment to extend through December 2023**
  - **Additional funds sought due to additional inflation adjustment pending CWC meeting May 18<sup>th</sup>**

## Federal

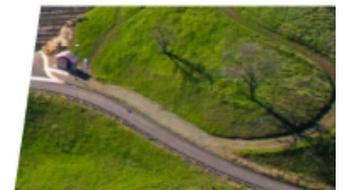
- **Reclamation Assistance Agreement (January 2021 - December 2023)**
  - **Between CCWD and Reclamation**
  - **24% cost share reimbursement**

## Local

- **Multiparty Agreement Amendment No. 3 (July - December 2022)**
  - **Between CCWD and JPA Members**
  - **Second invoice covers costs for the first half of FY23**
- **Multiparty Agreement Amendment No. 4 (January 2023 – June 2023)**
  - **Between CCWD and JPA Members**
  - **Funds collected cover costs for the second half of FY23**

9

Board Meeting – May 11, 2022





# Source of Funds Summary

	FY23	Notes
State - Early Funding Agreement	\$4,100,000	Assumes amendment to include \$900k in additional funds and a time extension.
Federal - Reclamation Assistance Agreement	\$5,100,000	Assumes Reclamation Assistance Agreement pays 24% of anticipated costs thru term of FY23.
Multiparty Agreement Amendment No.3	\$3,100,000	Second payment to cover July 1, 2022-December 2022
Multiparty Agreement Amendment No. 4 <sup>a</sup>	\$7,700,000	Amount of funding needed to fund all anticipated FY23 expenses at the JPA that is not covered by previously collected funds, state, and federal funds.
Carryover (rebudget) funding from FY22	\$2,500,000	Estimate of funds on the books at CCWD as of June 30, 2022. Assumed to be state funding in summary budget.
<b>Total</b>	<b>\$22,500,000</b>	

**a) Assumes equal cost share for each paying JPA Member = \$1.1M**



# Use of Funds: FY23 Expenditures

- **JPA Services – \$1.4M**
  - **Executive Director**
  - **Program Management Consultant**
  - **Interim General Counsel**
  - **CPA and Auditor**
  - **Financial Advisor**
    - **Credit Rating**
    - **Plan of Finance**
    - **WIFIA Loan**
- **CCWD Services – \$13.4M**
- **CCWD Labor – \$6.4M**
- **Contingency – \$1.3M**
- **Total = \$22.5M**

# JPA Services

JPA Services	July 2022 - December 2022 <sup>a</sup>	January 2023 - June 2023 <sup>b</sup>	FY 23 Total <sup>c</sup>
State/Fed Funding Administration Support (JPA)	\$50,000	\$50,000	\$100,000
Program Management (JPA)	\$125,000	\$125,000	\$250,000
Clerk to JPA Board	\$75,000	\$75,000	\$150,000
Credit Rating (JPA)	\$0	\$100,000	\$100,000
Executive Director (JPA)	\$0	\$150,000	\$150,000
Insurance (JPA)	\$0	\$20,000	\$20,000
Financial Advisor	\$160,000	\$200,000	\$360,000
CPA and Auditor	\$0	\$120,000	\$120,000
Interim General Counsel	\$60,000	\$80,000	\$140,000
<b>Total</b>	<b>\$470,000</b>	<b>\$920,000</b>	<b>\$1,390,000</b>

**a - Collected thru Multiparty Agreement Amendment No. 3**

**b - Collected thru Multiparty Agreement Amendment No. 4**

**c - Contingency not included**

# CCWD Services and Labor

- **Services**
  - **Project Management**
  - **Environmental Planning**
    - **Operations Modeling**
  - **Engineering Feasibility**
  - **Legal**
  - **Fees**
- **Labor**
- **Contingency**

# CCWD Services

	FY23	Notes
<b>Task 1 – Project Management</b>	100,000	Includes contract administration and meeting facilitation.
<b>Task 2 – Environmental Permitting</b>	2,300,000	Completion of final permits and water rights.
<b>Task 3 – Engineering Feasibility</b>	8,600,000	Continues design work in progress, cost estimates, easement development, and support for WIFIA application and agreements.
<b>Legal</b>	600,000	Supports permitting, water rights, easement acquisition, and agreement development.
<b>Fees</b>	1,800,000	Assumes all water rights change petitions and time extensions filed. All permit fees filed and paid. Does not include purchase of mitigation land.
<b>Total</b>	<b>13,400,000</b>	Contingency not included

# CCWD Services - Key Consultant Contracts

- **Environmental & Permitting**
  - Environmental Science Associates
  - ICF Jones & Stokes
- **Operations Modeling**
  - MBK Engineers
- **Hydraulic Modeling & Preliminary Design**
  - Stantec
- **Dam Design**
  - AECOM
- **Transfer-Bethany Pipeline Design**
  - Carollo Engineers
- **Pumping Plant No.1**
  - Brown and Caldwell



## CCWD Labor

- **Project Management – \$0.4M**
  - **Grant Administration**
  - **Agreement Development**
  - **Communications and Outreach**
    - **JPA website hosting/posting**
    - **Fact Sheets**
- **Environmental Planning – \$3.3M**
  - **Environmental**
  - **Permitting**
    - **Compensatory Mitigation Package**
  - **Water Rights**
- **Engineering Feasibility – \$2.7M**
  - **Design**
  - **Management of Design Consultants**
  - **Risk Management**

## JPA Budget Structure

- **Assume all budget is treated as capital in FY23 consistent with CCWD budget and Capital Improvement Program**
- **No operating budget in FY23**
- **In the future, after JPA Members are receiving benefits, operating budget would be adopted**

## **JPA Agreement Section 7.11 - Reserves**

**“The Authority and each Member shall establish in that Member’s Service Agreement, or in any Related Activity Agreement, and each Member shall pay into, reserve accounts established for administrative, operational, debt service and capital costs. The respective Service Agreements and, if applicable, Related Activity Agreements, shall specify how the reserve accounts will be replenished in the event such reserves are used. The Authority shall hold those reserves to provide readily available funds in the event a Member is not able to pay its share of the applicable type of costs as provided in that Member’s Service Agreement and herein.”**



## **JPA Budget Options: Reserves**

- **Assume no reserves collected in FY23**
- **Collection of reserves begins once project transitions to construction and operations**
  - **After execution of Service Agreements**
- **As the JPA establishes itself as a stand-alone financing entity, some liquidity or working capital reserves may be appropriate**
  - **A cash-fund working capital reserve**
  - **A bank credit facility**
- **Contingency funds would be included in FY23 Budget and related agreements consistent with current practice in the Multiparty Agreement**





## **Multiparty Agreement (MPA) Amendment No. 4**

- **Agreement currently expires December 31, 2022**
- **Extend the term until June 2023 in order to provide more time for JPA to establish banking services and financial procedures**
- **Execution required by all Members but not JPA**
- **CCWD would collect January 2023 JPA Member payments**
- **Once Interim Funding Agreement executed**
  - **JPA takes necessary steps to become ‘the bank’**
  - **CCWD would transfer funds to JPA**

# Interim Funding Agreement

- **Cover JPA costs in FY23 that are not provided by State and Federal Funding and Local Funding beyond FY23**
- **Term of the agreement will be thru FY24, covering period of January 1, 2023 through June 30, 2024**
- **Scope of work & budget would be updated to coincide with JPA adoption of JPA FY24 budget**
- **Draft will be provided to staff of JPA Members in June**
- **Finance Committee review on July 28**
- **JPA Board review on August 10, consider approval on September 14**
- **Approval needed by all JPA Members by November**





# CCWD Technical Services Agreement

- **CCWD role similar to role described in MPA No. 3 (minus current responsibilities as Interim Administrator that will be transferred to JPA Executive Director and other JPA Services contractors)**
  - **Environmental**
  - **Permitting and Water Rights**
  - **Other Agreements**
  - **Design**
  - **In future: Land acquisition, Final Design, Construction, etc.**
- **Scope of work and budget funded through Interim Funding Agreement**
- **Term January 2023 – June 2024 to align with Interim Funding Agreement**

## CCWD Technical Services Agreement (cont.)

- **Assumes a 10% contingency for design and construction costs**
  - **Covers unexpected expenses or changes**
  - **Applied to total services costs (not individual line items)**
- **Draft agreement will be provided to Member agency staff for review in June**
- **Finance Committee Review in August**
- **JPA Board Review of Draft Agreement in November**
- **Approval needed from JPA Board by December**
- **CCWD will schedule a separate workshop with Member agency staff to review**

## **Next Steps**

- **Update FY23 Budget based on feedback from Board**
- **Member agency staff review of backup spreadsheet to verify budget assumptions and calculations is ongoing**
- **June 8 - JPA Board consider adoption of FY23 Budget**
  - **Board may consider passing a Reimbursement Resolution simultaneous with adopting FY23 Budget so expenditures are eligible for reimbursement through potential future issuance of tax-exempt revenue bonds**

**ITEM 3.2: REVIEW OF BOARD POLICY AND ACTION CALENDAR**

**RESPONSIBLE/LEAD STAFF MEMBER:**

Maureen Martin, Deputy Interim Administrator

**DISCUSSION:**

The updated Board Policy and Action Calendar is provided for the Board's information. The Calendar is presented in outline form including Authority Board meeting items by month for the next six months. In addition, the overview graphic is included, organized by functional area to show potential discussion and action items for Authority Board and Committee meetings for 2022 and early 2023.

**ALTERNATIVES:**

Not applicable

**FISCAL ANALYSIS:**

Not applicable

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable

**EXHIBITS/ATTACHMENTS:**

6-Month Calendar and Outline of Board Policies and Actions

Overview Graphic of 2022 Draft Major Policy Calendar

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

May 2022

WIFIA Funding Letter of Interest [Action Item]

Draft FY23 Budget [Discussion Item]

Executive Director Recruitment [Deputy Interim Administrator Report]

Draft Reserve Policy [referred to Finance Committee]

Draft Finance Committee Charter [under review by Finance Committee]

Draft Operations and Engineering Committee Charter [to be under review by Operations and Engineering Committee]

June 2022

Final FY23 Budget [Action Item]

Reserve Policy [Action Item]

Finance Committee Charter [Action Item]

DWR MOU [Action Item]

Program Management Services Approach [Discussion Item]

Draft Records Retention Schedule and Policy [referred to Communications & Outreach Committee]

Draft Social Media Policy [referred to Communications & Outreach Committee]

Draft Communications and Outreach Committee Charter [to be under review by Communications and Outreach Committee]

July 2022

Program Management Services Contract Request for Proposals [Action Item]

July 2022 (continued)

Communications and Outreach Committee Charter  
[Action Item]

Operations and Engineering Committee Charter  
[Action Item]

Records Retention Policy and Schedule [Action  
Item]

Social Media Policy [Action Item]

August 2022

Executive Director Interviews [Discussion Item]

Draft Interim Funding Agreement [Discussion Item]

Service Agreement Approach [Discussion Item]

Bank Services [Discussion Item]

Liability and Errors and Omissions Insurance  
[Discussion Item]

Draft CCWD Design and Construction Agreement  
[Discussion Item]

September 2022

Executive Director Contract [Action Item]

Interim Funding Agreement [Action Item]

Bank Services [Action Item]

Liability and Errors and Omissions Insurance  
[Discussion Item]

Plan of Finance [Discussion Item]

Conflict of Interest Code [Discussion Item]

October 2022

Conflict of Interest Code [Action Item]

Liability and Errors and Omissions Insurance  
[Action Item]

Board Clerk Recruitment [Discussion Item]

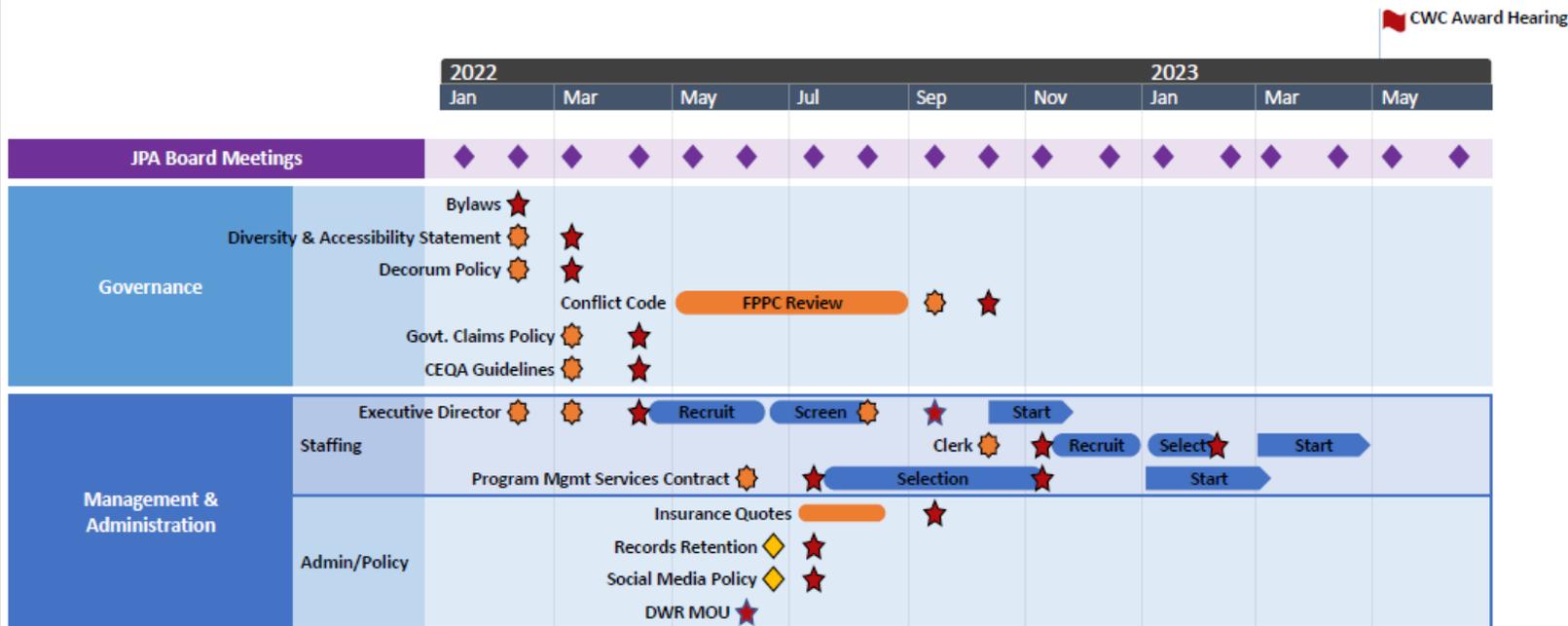
Service Agreement Approach [Discussion Item]

WIFIA Loan Credit Rating [Discussion Item]

CCWD Design and Construction Agreement  
[Discussion Item]

# Los Vaqueros Reservoir Joint Powers Authority Draft 2022 Major Policy Calendar

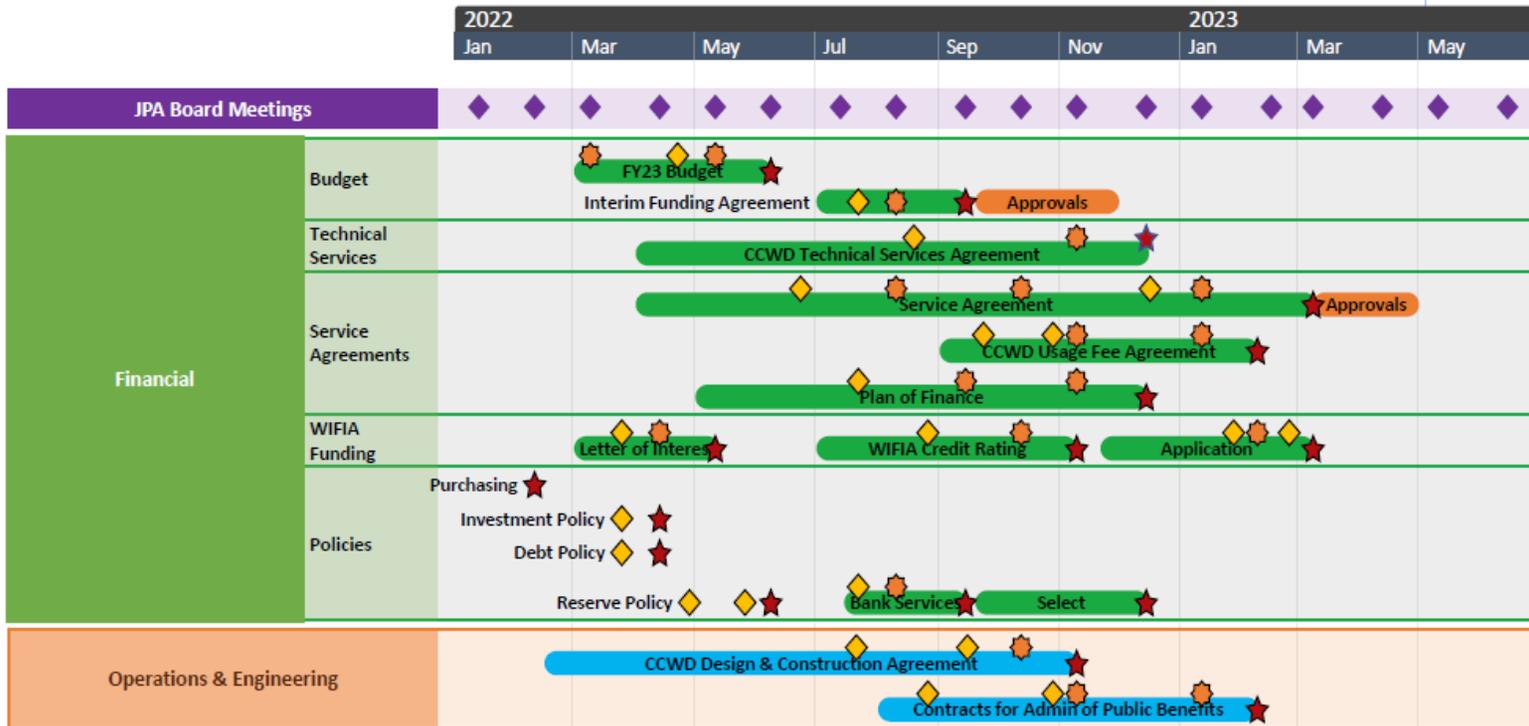
*Dates Subject to Change*



# Los Vaqueros Reservoir Joint Powers Authority Draft 2022 Major Policy Calendar

Dates Subject to Change

 CWC Award Hearing



Future Agreements to Develop (Schedules TBD)

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

**ITEM 4.5: FINANCE COMMITTEE MARCH 31, 2022 MEETING MINUTES**

**RESPONSIBLE/LEAD STAFF MEMBER:**

James Ciampa, Interim General Counsel

**RECOMMENDATION:**

None

**DISCUSSION:**

Attached for the Board of Directors' information are the minutes from the March 31, 2022 Finance Committee meeting, which were approved by the Finance Committee at its April 28, 2022 meeting.

**ALTERNATIVES:**

Not applicable

**FISCAL ANALYSIS:**

Not applicable

**ENVIRONMENTAL REQUIREMENTS:**

Not applicable

**EXHIBITS/ATTACHMENTS:**

Approved minutes from March 31, 2022 Finance Committee meeting.



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY  
MINUTES**

Regular Meeting of Finance Committee  
March 31, 2022 – 1:30 p.m.

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**CALL TO ORDER** at 1:37 p.m. by Chair Anthea Hansen

**PLEDGE OF ALLEGIANCE** – led by Director Coleman

**ROLL CALL OF COMMITTEE**

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

Paul Sethy – Vice Chair, Alameda County Water District (arrived at approximately 1:50 p.m.)

John Coleman – East Bay Municipal Utility District

Linda J. LeZotte – Santa Clara Valley Water District

**ABSENT**

None

**OTHERS PRESENT**

Marguerite Patil, Contra Costa Water District, Interim Administrator

Maureen Martin, Contra Costa Water District

Mimi Mehaouchi, Contra Costa Water District

James Ciampa, Lagerlof, LLP, Interim General Counsel

Rosemarie Perea, Interim Board Clerk

David Moore, Clean Energy Capital

13 others

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

None.

## **DISCUSSION ITEMS**

### **1.1**

#### **Review of WIFIA Funding Approach**

Marguerite Patil, Interim Administrator, introduced David Moore of Clean Energy Capital, the financial consultant who has been working with the Local Agency Partners on the Phase 2 Los Vaqueros Reservoir Expansion Project for the past several years. Mr. Moore made a presentation that reviewed the Water Infrastructure Finance and Innovation Act (“WIFIA”) funding process and proposed next steps.

Mr. Moore stated WIFIA provides for low-interest loans to qualified projects. He stated a single interest rate is used, which is tied to the U.S. Treasury rate for a similar maturity (currently, that rate for a 30-year loan would be 2.60%). That rate would be applied even if draws from the loan are deferred. The maximum loan term is 35 years.

Director Coleman noted the JPA members’ favorable credit ratings are advantageous in the financing process. Director Hansen asked whether the short timeline to gather information required for the Letter of Interest would be a challenge. Mr. Moore advised the required information already exists and will be included in that Letter of Interest.

### **1.2**

#### **Draft Investment Policy**

James Ciampa, Interim General Counsel, advised that Government Code Section 53646(a)(2) authorizes local agencies to adopt statements of investment policy. Mr. Ciampa provided an overview of the Draft Investment Policy that has been prepared which tracks the Government Code’s provisions regarding permissible investments and applicable limitations and includes a quarterly reporting requirement in compliance with Section 53646(b).

A motion was made by Director Coleman and seconded by Director Sethy to recommend the proposed Draft Investment Policy for approval by the Board of Directors at its April 13, 2022 meeting. The motion was approved by the following roll call vote:

AYES:           Anthea Hansen, Chair, San Luis & Delta-Mendota Water Authority  
                  Paul Sethy, Alameda County Water District  
                  John Coleman, East Bay Municipal Utility District  
                  Linda J. LeZotte, Santa Clara Valley Water District  
NOES:           None  
ABSENT:       None  
ABSTAIN:      None

The motion passed with a 4-0 vote.

### 1.3

#### **Draft Debt Management Policy**

Interim General Counsel Ciampa then reviewed the Draft Debt Management Policy included in the meeting materials that includes written guidelines, allowances, and requirements that guide the debt issuance practices of a government agency, including the issuance process, management of a debt portfolio, adherence to various laws and regulations, post-issuance compliance for IRS purposes, and post-issuance compliance for continuing disclosure purposes.

Director LeZotte requested clarification on paragraph 2, “Purpose and Use of Debt”, and on paragraph 4, “Capital Improvements and Budget.” Mr. Ciampa provided clarification on these paragraphs.

A motion was made by Director Sethy and seconded by Director LeZotte to recommend the proposed Debt Management Policy for approval by the Board of Directors at its April 13, 2022 meeting. The motion was approved by the following roll call vote:

AYES:           Anthea Hansen, Chair, San Luis & Delta-Mendota Water Authority  
                  Paul Sethy, Alameda County Water District  
                  John Coleman, East Bay Municipal Utility District  
                  Linda J. LeZotte, Santa Clara Valley Water District  
NOES:           None  
ABSENT:       None  
ABSTAIN:      None

The motion passed with a 4-0 vote.

### 1.4

#### **Scheduling Future Committee Meetings**

Marguerite Patil, Interim Administrator, recommended the Committee discuss the establishment of regular Committee meeting dates and times to reduce the administrative burden for scheduling meetings and support more effective planning for future meetings.

Director Hansen asked whether virtual attendance would continue or whether in-person attendance will be required. Interim General Counsel Ciampa provided clarification on AB 361 and advised that as long as current circumstances regarding social distancing and imminent risk of health to in-person attendees continue, the Authority can continue to conduct its Board and committee meetings virtually.

After further discussion, consensus was reached for the Finance Committee to meet on the fourth Thursday of each month at 1:00 p.m. via Zoom. Staff was asked to send out the Zoom invites for the next several meetings to members of the Finance Committee and interested staff members.

**FUTURE AGENDA ITEMS**

Interim Administrator Patil mentioned the following upcoming items:

1. Fiscal Year 2023 Budget.
2. Water Infrastructure Finance and Innovation Act updates.
3. Federal and State Funding updates.

The meeting was adjourned at 2:27 p.m.

\_\_\_\_\_  
/s/  
Anthea G. Hansen, Chair  
Finance Committee

ATTEST:

\_\_\_\_\_  
/s/  
Rosemarie Perea, Interim Board Clerk



## TREASURER MONTHLY REPORT

### MULTI-PARTY AGREEMENT STATUS

Amendment No. 3 to the Multi-party Cost Share Agreement (MPA) was executed on November 1, 2021 and the first invoice of \$448,560 per agency was sent out in January 2022.

APRIL 6, 2022

### Upcoming Activities

April 13 at 9:30 a.m. – JPA Board Meeting via Zoom

April 22 at 1:00 p.m. – Finance workshop on LVE cost and funding allocation methodology via Teams (with LAP Staff and Clean Energy Capital)

April 28 – Finance Committee Meeting:

1. FY23 Budget Overview
2. Service Agreement Approach
3. Draft Reserve Policy

Finance Committee Members:

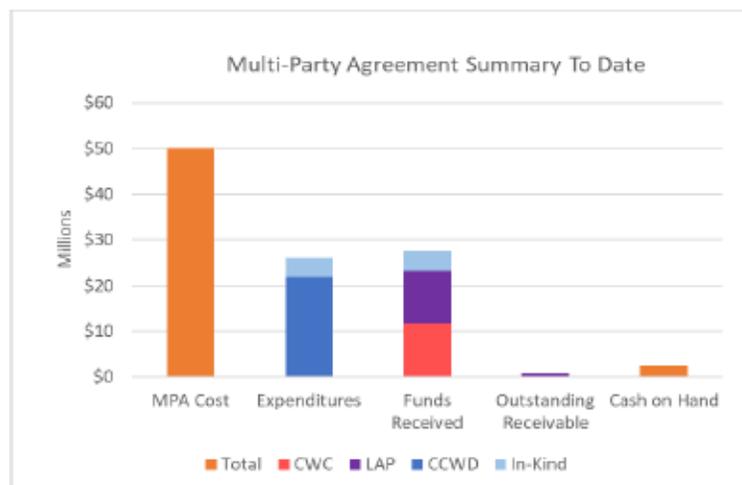
Chair: Anthea Hansen, SLDMWA

Vice-Chair: Paul Sethy, ACWD

John Coleman, EBMUD

Linda LeZotte, SCVWD

The following chart provides an overview of the MPA expenditures through March 29, 2022. The in-kind services, funds received, outstanding receivable, and cash on hand are shown through March 29, 2022. All LAPs remain in good standing on progress payments and the Project cash on hand remains positive.



### MPA Summary to Date:

MPA Cost: \$50,187,865 (total through Amendment No. 3)

#### Expenditures:

CCWD: \$21,831,446 (includes consultants and legal services)

LAP: \$4,257,988 (in-kind services)

Total: \$26,089,434

#### Funds Received:

CWC: \$11,697,644

LAP: \$11,606,362 (cash contributions)

LAP: \$4,257,988 (in-kind services)

Total: \$27,561,994

#### Outstanding Receivable:

CWC: \$956,348

LAP: \$448,560

Cash on Hand: \$2,536,472

### **FEDERAL FUNDING STATUS**

The FY22 Continuing Resolution that went into effect September 30, 2021 included \$50 million in Federal funding for the Project. This is in addition to the \$14 million that was appropriated in FY21. A funding agreement with Reclamation for the FY21 cost share provided to the LAPs (50 percent or approximately \$7 million) is currently routing for signature and the initial invoice is being prepared.

Future Federal funding requests include the remainder of the maximum federal share of 25 percent of the total project cost (approximately \$160 million). Some portion of the federal funding share may be available in the Bipartisan Infrastructure Law (the Infrastructure Investment and Jobs Act that was signed on November 15, 2021).

### **STATE FUNDING STATUS**

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

The Early Funding Agreement with the CWC provides for a cost share of 50 percent of eligible costs through December 31, 2022. An amendment is being developed to extend the agreement through December 31, 2023 and include additional funds that can be approved as a result of the inflation adjustments.

#### **Early Funding Agreement Summary to Date:**

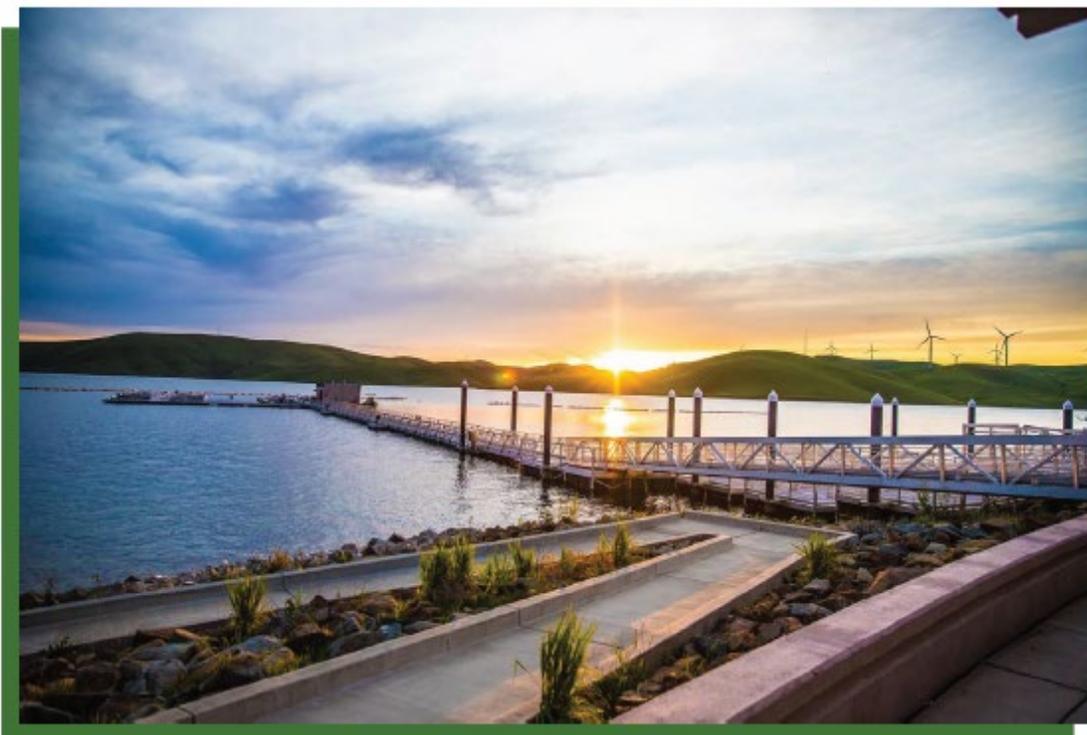
Total Budget:	\$45,900,000
Total Program Funding:	\$22,950,000 (50 percent cost share)
Total Billed To Date:	\$26,237,729 (57% spent to date)
Total Amount Remaining:	\$19,662,271
Total Retention To Date:	\$441,684
Outstanding Invoices:	\$514,664

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# EXECUTIVE DIRECTOR

Los Vaqueros Reservoir JPA

*Contra Costa County, San Francisco Bay Area and Central Valley, CA*





## LOS VAQUEROS RESERVOIR JPA

The Los Vaqueros Reservoir Joint Powers Authority (JPA) was formed in October 2021 to govern the Phase 2 Los Vaqueros Reservoir Expansion Project (Project). The eight agencies which make up the JPA include: Alameda County Water District, Contra Costa Water District, East Bay Municipal Utility District, Grassland Water District, San Francisco Public Utilities Commission, San Luis & Delta-Mendota Water Authority, Santa Clara Valley Water District, and Zone 7 Water Agency.

## THE PROJECT

The Project will increase Bay Area and Central Valley water supply reliability, develop water supplies for wildlife refuges, and improve water quality while protecting Delta fisheries and providing additional Delta ecosystem benefits. When completed, it will increase the Los Vaqueros Reservoir's capacity from 160,000 acre-feet to 275,000 acre-feet and add new and modified conveyance facilities to provide environmental, water supply reliability, operational flexibility, water quality, and recreational benefits. Activities currently underway include permitting, project design, and agreement development, while also pursuing additional funding for the Project. The Project has been approved for \$477 million from the state and recently earned an additional \$50 million in federal appropriations. The remainder of the project costs will be covered by additional federal funding and JPA Member contributions. Construction is slated to begin in 2023, pending necessary reviews and approvals, and is anticipated to continue through 2030.

Additional information is available at <https://losvaquerosjpa.com/>.

## THE POSITION

Under direction of the Board of Directors, the JPA's Executive Director will serve as the chief executive of the JPA, implementing Board policy. While working with the Board of Directors and Member agency staff, the Executive Director executes administrative policies and is responsible and accountable for technical, administrative, and policy level tasks in the furtherance of the Project. The Executive Director will be a contractor to the JPA, not a staff member or employee. As such, the Executive Director will operate under an independent legal entity and will need to carry their own liability and errors and omissions insurance. The ideal tenure for the person selected is five to seven years — the time it will take to shepherd the Project to the beginning of its operational phase.

# EXECUTIVE DIRECTOR

Los Vaqueros Reservoir JPA

The Executive Director is responsible for navigating a complex policy and regulatory environment related to completion of the Project. The successful candidate will handle multiple functions, with appropriate Board oversight, including financial administration, budgeting, drafting agendas and staff reports for Board meetings, running committee meetings, overseeing various consultants for legal and technical work, and advocating before local, state, and federal governmental agencies and executive and legislative leaders. The position requires familiarity with principles of California water law, CEQA, NEPA, and existing local, state, and federal water supply projects.

## THE IDEAL CANDIDATE

The ideal candidate is a highly organized, task-oriented leader with excellent communication skills and a knack for problem solving. They have extensive experience with managing large, multi-faceted projects and a successful track record of working with multiple agencies to obtain a successful outcome in a complex regulatory environment. They are self-driven, collaborative and politically savvy. They pursue their work with a sense of urgency yet maintain the flexibility and patience needed to effectively support a group of individuals with diverse personalities and differing perspectives in reaching their common goal — completion of the Project and mutually beneficial operation of the Project among the JPA's Members.

### Qualifying Education and Experience

Any combination of education and/or experience that has provided the knowledge, skills, and abilities necessary for successful job performance is acceptable. Example combinations includes graduation from an accredited college or university with major work in public administration, business administration, civil engineering, public policy, law, or a closely related field AND at least five (5) of years senior-level managerial experience, three years of which must include organizational leadership, project management, interagency coordination, and working with elected officials.

### Knowledge, Skills and Abilities

- In-depth experience with organizational and financial administration, budgeting, operation, and management
- Knowledge of planning, permitting, environmental analysis, design, cost estimating, public works contracting and construction processes sufficient to oversee the work of contractors and consultants
- Ability to collaborate in preparing for and managing all aspects of public meetings; familiarity with the Brown Act, open government laws and other applicable California laws governing public agency operations
- Proficiency in conducting research, performing analysis, and preparing reports
- Ability to communicate complex information to a wide variety of audiences in clear, understandable terms, including to members of the media and the general public
- Ability to lead negotiations, build consensus, and develop agreements with diverse groups of stakeholders

## Licenses and Certificates

A valid California Class "C" driver's license or equivalent at time of contract execution. All required licenses and certificates must be maintained throughout the term of engagement with the JPA.

## COMPENSATION

A competitive hourly rate, which takes into consideration the operational expenses of an independent contractor, will be offered to the successful candidate.

## HOW TO APPLY

Apply on-line at [www.alliancerc.com](http://www.alliancerc.com) by 5:00 p.m. PST on **June 17, 2022**. For questions and inquiries, please contact Cindy Krebs at [ckrebs@alliancerc.com](mailto:ckrebs@alliancerc.com) or 562-901-0769 x 336.

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