



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
April 12, 2023 – 9:30 a.m.

Chair Angela Ramirez Holmes called the meeting to order at 9:30 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
Ernesto Avila, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Rebecca Eisenberg, Director, Santa Clara Valley Water District (arrived at 9:47 a.m.)

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District
Antonio Martinez, Alternate Director, Contra Costa Water District
*Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
*Richard Santos, Alternate Director, Santa Clara Valley Water District
Sandy Figuers, Alternate Director, Zone 7 Water Agency

*participated in place of absent Director; Alternate Director Santos acted in place of Director Eisenberg until her arrival

ABSENT

Dennis Herrera, Director, San Francisco Public Utilities Commission
Lesa McIntosh, Alternate Director, East Bay Municipal Utility District
Ricardo Ortega, Alternate Director, Grassland Water District
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority

STAFF PRESENT

Taryn Ravazzini, Executive Director
James Ciampa, Lagerlof, LLP, General Counsel
Mike Waltz, InterWest Insurance
Marguerite Patil, Contra Costa Water District
John Bezdek, Water and Power Law Group, PC
Norma I. Alley, MMC, Assistant Board Clerk

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

CONSENT CALENDAR

1.1 Approval of Amended Minutes from February 8, 2023, Board of Directors Meeting

1.2 Approval of Minutes from March 8, 2023, Board of Directors Meeting

1.3 Treasurer's Report – Month Ended February 28, 2023

Chair Holmes requested Item 1.2 be pulled and heard under separate motion.

Upon motion by Director Sethy, seconded by Vice Chair Hansen, the Consent Calendar consisting of Items 1.1 and 1.3, 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
Ernesto Avila, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Richard Santos, Alternate Director, Santa Clara Valley Water District

NOES: None

The motion passed with an 8-0 vote.

Chair Holmes requested changes to the March 8, 2023 Board meeting minutes included as Item 1.2 of the agenda to reflect the following two changes: (1) Page 14 of packet: Section 2.1, 1st paragraph, 3rd sentence from bottom of paragraph says General Counsel Ciampa noted the process will be utilized in the 2023 filing; and (2) Under Reports, Section 4.1, change "Chair Ramirez Holmes apologized for the audio issue at the beginning of the meeting," to add, "which was promptly corrected."

Upon motion by Alternate Director Santos, seconded by Director Tognolini, the Consent Calendar consisting of Item 1.2, as amended, 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
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Richard Santos, Alternate, Santa Clara Valley Water District
NOES: None
ABSTAIN: Ernesto Avila, Director, Contra Costa Water District

The motion passed with a 7-0-1 vote, with Director Avila abstaining.

ACTION ITEMS

2.1 Appointment of Authority Auditor for Fiscal Year 2022

Executive Director Taryn Ravazzini reported the Authority must file its audit for the 2021-22 Fiscal Year with the State Controller's Office by June 30, 2023. To meet that filing requirement, staff informed the Board at the March 8 Board meeting that the Authority would engage Maze & Associates to prepare the Fiscal Year 2022 audit and related Special District Financial Transactions Report at a cost of \$7,800.

The Authority's Joint Exercise of Powers Agreement, in Section 4.4, authorizes the Board of Directors to appoint the Authority's auditor. Based on the action described above, it is necessary for the Board to act to appoint Maze & Associates as the Authority's auditor for the 2021-22 Fiscal Year.

Chair Ramirez Holmes called for public comment. Seeing no public comment, she closed public comment.

After discussion, upon motion by Treasurer Sethy, seconded by Alternate Director Santos, the appointment of Maze & Associates as the Authority Auditor for Fiscal Year 2022, 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
Ernesto Avila, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Richard Santos, Alternate, Santa Clara Valley Water District
NOES: None

The motion passed with an 8-0 vote.

2.2 Procurement of Authority Public Officials and Management Liability and General Liability Insurance and Approval of Related Conflict of Interest Waiver

Executive Director Ravazzini reported staff has investigated various alternatives from which to procure General Liability and Errors and Omission Insurance (also known as Public Officials and Management Liability Insurance) coverage for the Authority. Staff requested quotes for coverage from various public agency insurance pools. The staff worked with Mike Waltz with InterWest Insurance Services to assist in procuring the necessary coverage in a comprehensive and flexible manner. Staff received quotes for the General Liability and Public Officials and Management Liability Insurance from two providers, CalMutuals JPRIMA and Socius. The Finance Committee reviewed the two quotes at its March 23 meeting and unanimously recommended that the Authority proceed with procuring coverage through CalMutuals JPRIMA.

Mike Waltz, InterWest Insurance, gave a presentation, accompanied by PowerPoint, to review the two quotes received.

Director Eisenberg, Santa Clara Valley Water District, joined the meeting at 9:47 a.m. Alternate Director Santos, Santa Clara Valley Water District, stepped down as replacement to Director Eisenberg.

General Counsel Ciampa announced he is also General Counsel to CalMutuals JPRIMA, where his services are focused on governance and administrative issues and not coverage or other direct insurance issues. He noted the representation of both entities does present a potential conflict of interest, which will be addressed through a Conflict-of-Interest waiver letter that is included in the meeting materials.

Chair Ramirez Holmes called for public comments. Seeing no public comment, she closed public comment.

After discussion, upon motion by Alternate Director Ritchie, seconded by Director Eisenberg, the Board accepted the attached quote received from the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority; authorized the Executive Director to enter into all necessary agreement with CalMutuals JPRIMA to provide the specified General Liability and Public Officials and Management Liability Insurance at a cost not to exceed \$74,278; and approved the related Conflict of Interest waiver letter submitted by the Authority's General Counsel 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
Ernesto Avila, Director, Contra Costa Water District
Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Rebecca Eisenberg, Director, Santa Clara Valley Water District

NOES: None

The motion passed with an 8-0 vote.

2.3 Amendment of Standard Services Agreement with Khadam Consulting, Inc.

Executive Director Ravazzini reported that at the December 14, 2023, Board of Directors meeting, the Board approved a contract with Khadam Consulting Inc. for Program Support Services to be provided to the Authority. The term of that contract runs through the end of the current fiscal year, June 30, 2023, and is in the amount not to exceed \$49,500. The services provided by Khadam Consulting Inc. relate to various ongoing activities, including assisting with communications with the U.S. Bureau of Reclamation and technical issues relating to the Service Agreement, including interacting with members concerning storage issues and running a model to demonstrate storage needs under various scenarios. As previously stated, Khadam Consulting Inc. and its principal, Ibrahim Khadam, possess a unique skill set that has shown itself to be tremendously helpful in assisting in these various technical aspects. Based on the level of services Khadam Consulting Inc. has provided over the past few months, it is necessary to increase the amount under that contract by an additional amount of \$60,000, to a total not to exceed amount of \$109,500, based on the estimated level of services to be provided in the range of \$20,000 per month for the remaining three months of the 2022-23 fiscal year.

Khadam Consulting, Inc. is included in one of the proposals received for Program Management services that was submitted to the Authority. If the proposer that includes Khadam Consulting, Inc. is selected to provide the Program Management services to the Authority, the services otherwise provided under the Authority's current contract with Khadam Consulting, Inc. will be shifted to the Program Management Agreement and this current contract will be terminated promptly. Director Avila was pleased that Khadam Consulting will be continuing to work in support of the Project, but expressed his concern over the evergreening of contracts. Vice Chair Anthea Hansen requested that if the Program Management proposer that included Khadam Consulting, Inc. in its proposal is selected, staff should attempt to negotiate that the proposer not include any markup on the costs billed by Khadam Consulting, Inc. for its services.

Chair Ramirez Holmes called for public comments. Seeing no public comments, she closed public comment.

Upon motion by Director Sethy, seconded by Director Eisenberg, the amendment of the Authority's contract with Khadam Consulting Inc. to increase the not to exceed amount of that contract from \$49,500 to \$109,500 and to add a provision to provide for the possible termination of the contract as specified and to authorize the Executive Director to execute any amendment, 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
 Ernesto Avila, Director, Contra Costa Water District

Michael Tognolini, Director, East Bay Municipal Utility District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Rebecca Eisenberg, Director, Santa Clara Valley Water District

NOES: None

The motion passed with an 8-0 vote.

DISCUSSION ITEMS

3.1 Fiscal Year 2024 Budget Overview and review of Amendment No. 5 to Multi-Party Cost Share Agreement

Marguerite Patil of Contra Costa Water District reported development of the Authority's Fiscal Year 2024 Budget is continuing and gave an overview of the 2023-24 Fiscal Year Budget, accompanied by a PowerPoint presentation. Next steps for the FY 24 Budget will be a further review at the April 27 Finance Committee meeting and coordination with the development Amendment No. 5 to the Multi-Party Cost Share Agreement.

Chair Ramirez Holmes called for public comments. Seeing no public comment, she closed public comment.

Discussion commenced amongst the Board. Vice Chair Hansen inquired about the division of services between the Authority and CCWD and wants to ensure there is not a duplication of services. Director Avila asked that any Authority contracts for external affairs and agency negotiation support be identified and costs broken down in connection with further information to be provided to the Finance Committee. Executive Director Ravazzini stated that further detail will be provided.

Director Tognolini inquired regarding the reserves to be held by both CCWD and the Authority. Ms. Patil stated the reserves need to comply with the Authority's reserve policy and are based on two months of the respect CCWD and Authority service amount. Director Avila inquired about what happens if Amendment No. 5 to the Multi-Party Cost Share Agreement is not signed. General Counsel Ciampa responded that the Authority could eventually run out of funding and that any Authority member that fails to execute the amendment would likely be in breach of the JPA Agreement. Alternate Director Wunderlich asked whether unexpended carryover funds would be available to cover interim costs if there was a delay in execution of Amendment No. 5 to the Multi-Party Cost Share Agreement. Ms. Patil stated those carryover funds would be available if necessary.

Chair Ramirez Holmes noted this was a discussion item only, no action was to be taken by the Board.

3.2 Federal Relations Report

Executive Director Ravazzini reported that over the past several months Natural Resource Results, LLC, and Water and Power Law Group, PC, have engaged in advocacy, on the Authority's behalf, with various federal agencies, including the U.S. Bureau of Reclamation. Those efforts have been significant in informing agency management and staff of the importance of the Project and the need to proceed with issuance of the Record of Decision.

John Bezdek of Water and Power Law Group, PC, discussed his background and experience in working at the U.S. Department of the Interior and with the Bureau of Reclamation. He was joined by his associates Sara Tucker and Garrett Durst of Natural Resource Results, LLC and provided a summary of recent federal advocacy efforts. Mr. Bezdek then reported on the firms' efforts and the progress being made to date. He stated the Bureau of Reclamation has delegated significant authority on the Los Vaqueros Reservoir Expansion Project to the Regional Director, Ernest Conant, and Assistant Regional Director, Richard Welch. He stated a key meeting with Bureau of Reclamation management will take place on Friday, April 14 and it will be important to determine from that meeting what the Bureau desires from the Project.

Chair Ramirez Holmes called for public comment. Seeing no public comment, she closed public comment.

Brief discussion commenced amongst the Board with several Board members expressing appreciation for the federal relations services provided to date.

Chair Ramirez Holmes noted this was a discussion item only, no action was to be taken by the Board.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 Directors

Chair Ramirez Holmes announced the Ad Hoc Committee for review of the CCWD Design and Construction Agreement Principles was scheduled to meet April 13.

4.2 Executive Director

Executive Director Ravazzini highlighted her written staff report that was included in the meeting materials.

4.3 General Counsel

General Counsel Ciampa thanked the Board of Directors for submitting their Form 700s.

4.4 Board Policy and Action Calendar

Chair Ramirez Holmes stated the updated Board Policy and Action Calendar was included in the meeting materials for the Board's information.

4.5 Committee Meeting Summaries

Summaries from the March 16, 2023 Operations and Engineering Committee meeting and the March 23, 2023 Finance Committee meeting were provided for the Board's information.

PUBLIC COMMENTS ON CLOSED SESSION CLOSED SESSION

None.

Chair Ramirez Holmes called a break at 11:43 p.m. Meeting reconvened at 11:48 a.m.

5.1 Performance Evaluation – Government Code Section 54957

TITLE: Executive Director

RECONVENE IN OPEN SESSION

Open Session reconvened at 12:30 p.m.

REPORT OF ACTION, IF ANY, TAKEN IN CLOSED SESSION ACTION ITEM

Chair Ramirez Holmes reported the Executive Director has performed exceeding expectations, and she will be discussing compensation directly with the Executive Director, and report back to the Board.

ACTION ITEMS

6.1 Consideration of Possible Adjustment to Executive Director Compensation

No action was taken on this item.

ADJOURNMENT

The meeting was adjourned at 12:36 p.m.

Angela Ramirez Holmes

Angela Ramirez Holmes (May 22, 2023 21:42 PDT)

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr

Ellen Wehr (May 23, 2023 15:51 PDT)

Ellen Wehr, Secretary