



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
AGENDA**

Regular Meeting of the Board of Directors
April 12, 2023 – 9:30 a.m.

To be held at:

ZONE 7 WATER AGENCY

100 North Canyons Parkway
Livermore, CA 94551

Call-In Number: (888) 363-4734, Access Code 9187242

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

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

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

Angela Ramirez Holmes, Chair, Zone 7 Water Agency

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

Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, 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
Antonio Martinez, 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
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 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**

ACTION ITEMS

- 2.1 Appointment of Authority Auditor for Fiscal Year 2022**
- 2.2 Procurement of Authority Public Officials and Management Liability and General Liability Insurance and Approval of Related Conflict of Interest Waiver**
- 2.3 Amendment of Standard Services Agreement with Khadam Consulting, Inc.**

DISCUSSION ITEMS

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

3.2 Federal Relations Report

FUTURE AGENDA ITEMS

REPORTS

4.1 Directors

4.2 Executive Director

4.3 General Counsel

4.4 Board Policy and Action Calendar

4.5 Committee Meeting Summaries

PUBLIC COMMENTS ON CLOSED SESSION

CLOSED SESSION

5.1 Performance Evaluation – Government Code Section 54957

TITLE: Executive Director

RECONVENE IN OPEN SESSION

REPORT OF ACTION, IF ANY, TAKEN IN CLOSED SESSION

ACTION ITEM

6.1 Consideration of Possible Adjustment to Executive Director Compensation

ADJOURNMENT

CONSENT CALENDAR

**ITEM 1.1: APPROVAL OF AMENDED MINUTES FROM FEBRUARY 8, 2023
BOARD OF DIRECTORS MEETING**

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

RECOMMENDATION:

That the Authority's Board of Directors approve the attached amended minutes from the February 8, 2023 Board of Directors' meeting.

DISCUSSION:

At the March 8 Board of Directors' meeting, Director Avila, as conveyed by Alternate Director Martinez, requested an addition be made to the February 8 Board meeting minutes regarding the opinion he stated concerning the agreement entered into with Natural Resource Results. That led to the consideration of the February 8 Board meeting minutes being tabled.

Staff has revised the February 8 minutes to add the statement made by Director Avila, as redlined in the attached version of those minutes.

ALTERNATIVES:

Any suggested further revisions to the draft February 8, 2023 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft amended minutes from February 8, 2023 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 8, 2023 – 9:30 a.m.

Chair Angela Ramirez Holmes called the meeting order at 9:37 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
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District – Participated Telephonically
Rebecca Eisenberg, Director, Santa Clara Valley Water District (arrived at 9:55 a.m.)
TBD, Director – Ex Officio - Department of Water Resources

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, Santa Clara Valley Water District (participated until Director Eisenberg arrived)
Sandy Figuers, Alternate Director, Zone 7 Water Agency
*Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority -- Participated Telephonically
TBD, Alternate Director – Ex Officio, Department of Water Resources
*Alternate Director who replaced absent Director from his member agency

ABSENT

Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Dennis Herrera, Director, San Francisco Public Utilities Commission

Ricardo Ortega, Alternate Director, Grassland Water District
Lesla McIntosh, Alternate Director, East Bay Municipal Utility District

OTHERS PRESENT

Taryn Ravazzini, Executive Director
James Ciampa, Lagerlof, LLP, General Counsel
Rosemarie Perea, Board Clerk (by telephone)
David Moore, Clean Energy Capital (by telephone)
Numerous others were present in person and by telephone

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

CONSENT CALENDAR

The Consent Calendar consisted of the following items:

- 1.4 Consider Adoption of Resolution No. 2-23-01 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 February 3, 2023 to February 28, 2023 Pursuant to Brown Act Provisions**
- 1.5 Approval of Minutes from January 11, 2023, Board of Directors Meeting**
- 1.6 Treasurer’s Report – Month Ended December 31, 2022**
- 1.7 Update to Public Records Act Guidelines**

Upon motion by Treasurer Sethy, seconded by Secretary Wehr, the Consent Calendar consisting of Items 1.1, 1.2, 1.3 and 1.4, was approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility 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

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

ACTION ITEMS

2.1 2023 Communications Goals and Priorities

A draft of the Communications Goals and Priorities, which had been reviewed and revised by the Communications and Outreach Committee at its January 25, 2023 meeting, was presented by Taryn Ravazzini, Executive Director. Those goals and priorities will inform the development of the Authority's annual Communications and Outreach Plan.

After discussion, upon motion by Alternate Director Ritchie, seconded by Treasurer Sethy, the 2023 Communications Goals and Priorities, with the addition of "project approvals" under Priority 2, were approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility 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

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

2.2 Conflict with May Regular Board of Directors' Meeting

Executive Director Ravazzini noted the May Regular Board meeting is scheduled for May 10, 2023 and falls on the first day of the ACWA Spring Conference in Monterey. This conference is well attended by Authority Board members, and the May 10 Board meeting would present a scheduling conflict for many Directors and Alternate Directors. With that being the case, staff asked for direction with respect to the possible rescheduling of the May Board meeting to an alternate date, either through discussion at this meeting or through a subsequent scheduling poll.

After discussion, a motion to reschedule the May Regular Board meeting and directing staff to conduct a poll of board members to determine a mutually convenient date was made by Treasurer Sethy, seconded by Alternate Director Ritchie, and approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Ernesto Avila, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility 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

NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote.

DISCUSSION ITEMS

3.1 Program Management Request for Proposals

Executive Director Ravazzini gave a presentation regarding the Program Management Request for Proposals. She stated with the work on the Service Agreement and other agreements now moving forward, it is important that the Authority proceed with the engagement of the Program Manager through a competitive proposal process. Ms. Ravazzini's presentation gave an overview of the Program Manager position and reviewed the proposed scope of work, proposed selection criteria, proposed schedule and proposed selection process, which involved a team of staff from various Authority members. She then asked for Board input on those proposed components of the Request for Proposals process.

With respect to the proposed selection criteria, Director Avila and Alternate Director Ritchie suggested increasing the weight to be given to "Specialized Experience and Capabilities" from 5% to 15% and reducing the percentages of "Firm Qualifications and Program Team" and "Approach to Work" accordingly. Director Avila also suggested decreasing the weight of the "Presentation" to 20% and increasing the "Questions and Answers" to 30%. Director Eisenberg suggested increasing the "Firm Qualifications and Program Team" to 50% and decreasing the "Presentation" factor.

Alternate Director Ritchie inquired about outreach to consultants and also inquired whether the Executive Director would still act as the Authority's spokesperson after the Program Manager is retained. Executive Director Ravazzini responded that outreach to consultants has been occurring over many months and that she intended to continue to be the Authority's spokesperson. Director Eisenberg stated it is important for the Authority to reach out to underrepresented communities and minority and women-owned firms in the solicitation process.

Directors Sethy and Eisenberg and Alternate Director Figuers then raised concerns regarding potential conflicts of interest with the consultants, particularly with respect to any former employee of an Authority member full disclosure of any conflict of interest and full transparency is necessary. They emphasized the need for any proposing entity to fully disclose any potential or perceived conflict of interest.

The Executive Director will take into consideration the issues raised as proceeds in working on and completing the Request for Proposals.

3.2 Future Board Actions for Bridge Financing Approach

Executive Director Ravazzini introduced the Authority's financial consultant, David Moore of Clean Energy Capital, who made a presentation on contemplated bridge financing. That issue was raised in prior committee and Board meetings and was the subject of the January 31, 2023 Joint Finance Committee and Operations and Engineering Committee meeting. The primary

concept relates to securing outside debt financing to cover short-term intervals between the time Project expenses are incurred and when grant or WIFIA loan funds are received.

Mr. Moore stated the Joint Committee meeting resulted in a consensus to proceed with bridge financing after the Service Agreement is in place to cover Project costs until grant or loan monies are received. The Board concurred with that approach.

3.3 State Legislature Outreach and Advocacy Planning

Executive Director then reviewed the tentative plan for the Authority to conduct a group visit to Sacramento on March 22, 2023 to meet with pertinent legislators. Ms. Ravazzini reviewed the materials included in the meeting packet, including the delegation lists and maps of the legislators serving the Authority's service area and fact sheets from the September 2022 Washington, D.C. trip, which will be updated.

Chair Angela Ramirez Holmes thanked Grassland Water District for the assistance its lobbyist, Mark Smith of Smith Policy Group, LLC, has provided in the early planning stages of this effort. Directors Avila and Eisenberg signaled their interest in participating in this trip.

3.4 Authority Open House at ACWA Spring Conference

Executive Director Ravazzini noted the Association of California Water Agencies will hold its Spring Conference in Monterey, California from May 9 through May 11, 2023. Ms. Ravazzini stated some Authority members have expressed an interest in having the Authority host an open house at this conference to offer information on the Project and the Authority. The Board was supportive of that event as a way to build relationships.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 – Directors

Chair Angela Ramirez Holmes advised that the members of the Ad Hoc Committee for Review of the Contra Costa Water District Design, Guidelines and Principles are: Secretary Ellen Wehr, Alternate Director Steve Ritchie and Alternate Director Sandy Figuers. Members of the various committees were re-appointed without change for the coming year, with Director Eisenberg being appointed to the Finance Committee to take the position previously held by Alternate Director Linda LeZotte.

Secretary Ellen Wehr advised that she attended the Mid-Pacific Users Water Users' Conference which took place in Reno, Nevada from January 25 through January 27, 2023 and complimented the Executive Director on a great job of representing the Authority at the conference, as well as CCWD's staff for their support of the Authority.

4.2 - Executive Director

Executive Director Ravazzini advised she will be providing a written report to the Board each

month. She stated she is making an effort to meet in person with member agencies as frequently as feasible. Included in her written report is a list of monthly Authority contracts entered into as well as the response letter from the U.S. Bureau of Reclamation to the California Congressional Delegation regarding the delegation's prior letter Supporting Phase 2 of the LVR Expansion Project.

Director Sethy asked for clarification on the contract entered into with Natural Resource Results for federal lobbying services. Executive Director Ravazzini advised this is a short-term contract for needed federal strategy support and to assist with establishing a strategic plan for federal lobbying activities. The contract is in the amount of \$12,500.00 per month, for four months, with a price reduction for the early termination in the fourth month. Secretary Wehr commended staff on the selection of Natural Resource Results and feels they will be a positive addition. Director Avila stated his opinion that the contract to engage Natural Resource Results for federal advocacy services should have been brought to the JPA Board for consideration and approval, similar to how the Program Management RFP was handled at the February 8 Board meeting. Director Avila also asked for legal counsel's signature block to be added to all Authority agreements indicating his evaluation and approval of the agreement as to form.

4.3 - General Counsel

General Counsel James Ciampa stated he will ensure the signature block Director Avila requested is added to all future Authority contracts he reviews. The Legal Work Group will meet on February 14 to discuss the Service Agreement process and other Project-related agreements. He has filed the required Registry of Public Agencies update with the California Secretary of State to reflect the renewal of officers and new members on the Board. He will further review the Brown Act regarding teleconference requirements and will update the Brown Act meeting guidelines as necessary and appropriate to address the issue of directors participating by teleconference if their names and locations are not listed on the meeting agenda.

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.

The meeting was adjourned at 11:32 a.m.

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

ITEM 1.2: APPROVAL OF MINUTES FROM MARCH 8, 2023 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 March 8, 2023 Board of Directors meeting.

DISCUSSION:

The Clerk, General Counsel and Executive Director have prepared the attached draft minutes from the March 8, 2023 Board of Directors meeting.

ALTERNATIVES:

Any suggested revisions to the draft March 8, 2023 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft minutes from March 8, 2023 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
March 8, 2023 – 9:30 a.m.

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

PLEDGE OF ALLEGIANCE – led by Chair Angela Ramirez Holmes

ROLL CALL OF DIRECTORS

Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Treasurer, Alameda County Water District
Michael Tognolini, Director, East Bay Municipal Utility District
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
*Antonio Martinez, Alternate Director, Contra Costa Water District
*Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Sandy Figuers, Alternate Director, Zone 7 Water Agency
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Richard Santos, Alternate, Santa Clara Valley Water District
TBD, Alternate Director – Ex Officio, Department of Water Resources
*Alternate Director who replaced absent Director from his member agency

ABSENT

Dennis Herrera, Director, San Francisco Public Utilities Commission
Ernesto Avila, Director, Contra Costa Water District
Ricardo Ortega, Alternate Director, Grassland Water District
Lesla McIntosh, Alternate Director, East Bay Municipal Utility District

OTHERS PRESENT

Taryn Ravazzini, Executive Director
James Ciampa, Lagerlof, LLP, General Counsel
Marguerite Patil, Contra Costa Water District
Rosemarie Perea, Board Clerk (by telephone)
Norma Alley, Assistant Board Clerk
David Moore, Clean Energy Capital
Numerous others were present in person and by telephone

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

CONSENT CALENDAR

1.8 Approval of Minutes from February 8, 2023, Board of Directors Meeting

A motion was made by Director Tognolini, seconded by Director Eisenberg, to table this item to the April Board meeting to consider a proposed revision to the draft minutes from the February 8 Board meeting. The motion passed unanimously.

1.9 Treasurer’s Report – Month Ended January 31, 2023

Upon motion by Alternate Director Ritchie, seconded by Treasurer Sethy, Item 1.2 of the Consent Calendar was unanimously 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
Rebecca Eisenberg, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Antonio Martinez, Alternate Director, Contra Costa Water District
- NOES: None
- ABSENT: None
- ABSTAIN: None

The motion passed with an 8-0 vote.

ACTION ITEMS

2.1 Approval of Conflict of Interest Code

General Counsel, James Ciampa, advised that at the December 14, 2022 Board of Directors meeting, the Board of Directors approved the Authority’s draft Conflict of Interest Code. That version of the Code was posted for public comment on the Authority’s website. No public comments were received during the 45-day comment period.

General Counsel Ciampa reported that in late December, the Fair Political Practices Commission (“FPPC”) provided feedback on several requested changes regarding the filing process for the Authority’s Forms 700 – Statements of Economic Interest. General Counsel Ciampa advised the Authority is being requested to move to electronic filing of the Forms 700 for future years, but given the timing for the 2022 filings (which must be received by April 3, 2023) it was decided that paper filings of the Form 700 would be used for the 2022 filing year. General Counsel Ciampa process would be determined and utilized for the 2023 filings. In addition, the FPPC recommended deleting disclosure category 2 from the Program Manager position. Those changes are incorporated in the Code presented for approval.

After discussion, upon motion by Alternate Director Antonio Martinez, seconded by Alternate Director Ritchie, the Conflict of Interest Code was unanimously approved as presented 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
Rebecca Eisenberg, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Antonio Martinez, Alternate Director, Contra Costa Water District
- NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote.

2.2 May Board Meeting Rescheduling

Executive Director, Taryn Ravazzini, advised that at the February 8 Board of Directors meeting, the Board discussed the need to reschedule the May regular Board of Directors meeting due to the conflict of the May 10 regular meeting date with the ACWA Spring Conference.

After polling the Directors and Alternate Directors for alternative dates, no one date was available for all Directors and Alternate Directors could attend. However, two dates received responses that would allow for attendance by almost all of the Directors or their Alternates – Monday, May 15 at 10:00 a.m. and Friday, May 19 at either 9:30 a.m. or 10:00 a.m. Based on the responses received, staff recommends Friday, May 19 as the date to which the May Board meeting should be rescheduled.

After discussion, upon motion by Director Eisenberg, seconded by Secretary Wehr, the May Board meeting was rescheduled to Friday, May 19, 2023, at 10:00 a.m. 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
Rebecca Eisenberg, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Antonio Martinez, Alternate Director, Contra Costa Water District

NOES: None

ABSENT: None

ABSTAIN: None

The motion passed with an 8-0 vote.

DISCUSSION ITEMS

3.1 Overview of Current Financial Processes and Procedures

Taryn Ravazzini, Executive Director, advised that since the formation of the Authority, Contra Costa Water District (“CCWD”) has acted as the Authority’s “bank,” handling all accounting and financial reporting, the receipt and deposit of all Authority monies and the processing of all Authority payments. In the coming months, those financial functions will mostly be transferred to the Authority. Executive Director Ravazzini thanked CCWD for all of their work in connection with the accounting and financial reporting conducted on behalf of the JPA to date.

David Moore of Clean Energy Capital, the Authority’s financial consultant, provided an overview of those functions, along with discussing how the transition of those functions to the Authority will occur. Discussion ensued on various issues, including the possible use of a member agency to provide the accounting and financial services. Directors expressed concern regarding the possible public perception of having a member agency provide those services. Staff will proceed with the request for proposal for accounting services and will also discuss with interested member agencies regarding details and possible costs to provide those accounting services.

3.2 Auditor and Accounting Requests for Proposals

Taryn Ravazzini, Executive Director, discussed the Requests for Proposal for the Auditor and Accounting Services separately. She reported the audit report for the 2022 Fiscal Year must be filed with the State Controller by June 30, 2023 and thus staff intends to proceed with having CCWD’s auditor, Maze and Associates, proceed with the preparation of that audit and the Authority’s Special District Financials Transactions Report, which must be filed with the State Controller by March 20. Maze and Associates submitted a proposal to perform that work at a cost of \$7,800.00. General Counsel Ciampa stated the JPA Agreement required the Board to appoint the Authority’s auditor, so that action for Fiscal Year 2022 will be brought to the Board at the April 12 Board meeting.

Upon further discussion, staff was directed to proceed with a request for proposal for audit services for the 2023 and 2024 Fiscal Years, with an alternative for the preparation of an agreed upon procedures review of the 2022 Fiscal Year.

As discussed under Item 3.1, staff will proceed with preparing a request for proposals for accounting services, to transition those financial processes from CCWD.

The proposed timeline for the release of that RFP and selection of a qualified CPA/accounting firm is as follows:

- March 23 –Finance Committee input on RFP components
- March 31 – Target date for release of RFP
- April 28 – Target Proposal due date
- Mid-Late May – Interviews & selection
- Late May/June – Contract discussions
- June 14 – Board Action for Contract Approval

FUTURE AGENDA ITEMS

- Finance Committee to draft an Audit Policy to be brought to the Board for approval.

REPORTS

4.1 – Directors

Chair Ramirez Holmes apologized for the audio issue at the beginning of the meeting. She advised that with Director Tognolini replacing former Director Coleman on the Board, she has appointed Director Tognolini to the Finance Committee to fill former Director Coleman’s position. Executive Director Ravazzini will be distributing copies of two letters received from CCWD regarding engagement of the Bureau of Reclamation.

Secretary Wehr advised she was a guest on a *Golden State Naturalist* podcast on February 23, 2023 and she spoke about California water and the benefits of the Los Vaqueros Reservoir Expansion project.

4.2 - Executive Director

Executive Director Ravazzini reported on various matters, including: (1) her attendance and report on the Project at the February 15 Zone 7 Water Agency Board Meeting; (2) meetings with Save Mount Diablo to discuss Project status and, specifically, the Transfer Bethany Pipeline configuration; (3) release of the RFP for Program Management Services on Thursday, February 23, 2023, with proposals due by 5:00 p.m. Pacific Time on Thursday, March 23, 2023; (4) the Authority’s State Legislative Day on March 22, 2023; (5) contracts awarded in February to Smith Policy Group for support with the State Legislative Day in an amount not to exceed \$10,000.00 and to RGS for Assistant Board Clerk services in an amount not to exceed \$25,000.00.

4.3 - General Counsel

General Counsel, James Ciampa, advised the Legal Work Group met on February 14, 2023 and he has started drafting certain legally oriented provisions of the Service Agreement.

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 February 16, 2023 Operations and Engineering Committee meeting and the February 23, 2023 Finance Committee meeting were provided for the Board’s information.

In addition, a revision to the December 22, 2022 Finance Committee meeting summary was made at the suggestion of CCWD to clarify the planned capacity of the Exchange Transfer Facility pump station to be constructed in connection with the Transfer-Bethany Pipeline. That revision was approved at the February 23, 2023 Finance Committee meeting.

The meeting was adjourned at 10:50 a.m.

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

ITEM 1.3: TREASURER’S REPORT – MONTH ENDED FEBRUARY 28, 2023

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Staff has prepared the Treasurer’s Report for February 2023. This report was reviewed by the Finance Committee at its March 23 meeting.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Treasurer’s Report for Month Ended February 28, 2023



TREASURER’S MONTHLY REPORT

MULTI-PARTY AGREEMENT STATUS

Amendment No. 4 to the Multi-party Cost Share Agreement (MPA) was fully executed and an invoice for \$1,094,00 per agency was sent out in January 2023. Amendment No. 5 is being drafted.

APRIL 12, 2023

UPCOMING ACTIVITIES

March/April (various) – Finance workgroup and subgroup meetings (Draft Term sheet and Service Agreement Development)

March 23 at 1:00 p.m. – Finance Committee Meeting via Zoom

April 27 at 1:00 p.m. – Finance Committee Meeting via Zoom

Finance Committee Members:

Chair: Anthea Hansen, SLDMWA

Vice-Chair: Paul Sethy, ACWD

Rebecca Eisenberg, SCVWD

Michael Tognolini, EBMUD

ACRONYM KEY

ACWD – Alameda County Water District

CCWD – Contra Costa Water District

CWC – California Water Commission

EBMUD – East Bay Municipal Utility District

LAP – Local Agency Partners

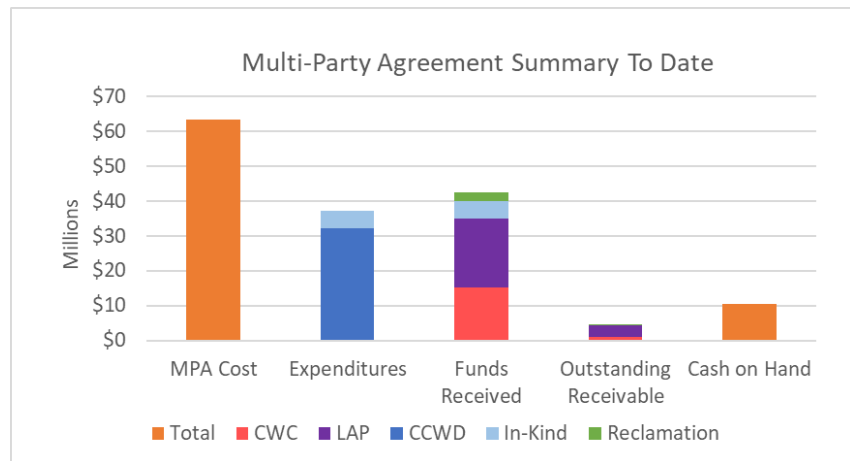
MPA – Multi-party Cost Share Agreement

SCVWD – Santa Clara Valley Water District (Valley Water)

SLDMWA – San Luis & Delta-Mendota Water Authority

WIFIA LOI – Water Infrastructure Finance and Innovation Act Letter of Interest

The following chart provides an overview of the MPA expenditures through February 28, 2023 in addition to in-kind services, funds received, outstanding receivable, and cash on hand. All LAPs remain in good standing and the Project cash on hand remains positive.



MPA Summary to Date:

MPA Cost: \$63,437,864 (total through Amendment No. 4)

Expenditures:

CCWD: \$32,148,554 (includes consultants and legal services)

In-kind: \$5,155,170 (LAPs and Reclamation)

Total: \$37,303,725

Funds Received:

CWC: \$15,309,450

Reclamation: \$2,420,227

LAP: \$19,571,077 (cash contributions)

In-kind: \$5,155,170 (LAPs and Reclamation)

Total: \$42,455,924

Outstanding Receivable:

CWC: \$910,867

Reclamation: \$398,018

LAP: \$3,282,000

Cash on Hand: \$10,531,739

FEDERAL FUNDING STATUS

A total of \$82 million was allocated to the Project in the Bipartisan Infrastructure Law FY22 Spend Plan and Reclamation recommended \$18 million of Water Infrastructure Improvements for the Nation (WIIN) Act to be allocated in FY23. Previous awards of Federal funding during FY21 and FY22 include \$10 million in pre-construction funding and \$54 million in construction funding. CCWD executed an assistance agreement with Reclamation for a total of \$7.2 million in federal funding for permitting, design, and other pre-construction activities and Reclamation has paid the initial invoice and a second invoice has been sent.

Future Federal funding requests include the remainder of the requested federal share of 21 percent of the total project cost (approximately \$49 million).

STATE FUNDING STATUS

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

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

Early Funding Agreement Summary to Date:

Total Budget:	\$47,755,834
Total Program Funding:	\$23,877,917 (50 percent cost share)
Total Billed To Date:	\$32,440,634 (68% spent to date)
Total Amount Remaining:	\$15,315,200
Total Retention To Date:	\$91,087
Outstanding Invoices:	\$910,867

ACTION ITEMS

ITEM 2.1: APPOINTMENT OF AUTHORITY AUDITOR FOR FISCAL YEAR 2022

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

That the Board of Directors appoint Maze & Associates Accountancy Corporation as the Authority's auditor for the 2021-22 Fiscal Year.

DISCUSSION:

As discussed at the March 8, 2023 Board of Directors' meeting, the Authority must file its audit for the 2021-22 Fiscal Year with the State Controller's Office by June 30, 2023. In order to meet that filing requirement, staff informed the Board that the Authority would engage Maze & Associates Accountancy Corporation to prepare that Fiscal Year 2022 audit and related Special District Financial Transactions Report at a cost of \$7,800.00.

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

ALTERNATIVES:

None, as deferring action on this action could jeopardize the timely filing of the Authority's 2021-22 Fiscal Year audit with the State Controller's Office.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

None

ITEM 2.2: PROCUREMENT OF AUTHORITY PUBLIC OFFICIALS AND MANAGEMENT LIABILITY AND GENERAL LIABILITY INSURANCE AND APPROVAL OF RELATED CONFLICT OF INTEREST WAIVER

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

That the Board of Directors approve the attached quote received from the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA); authorize the Executive Director to enter into all necessary agreements with JPRIMA to provide the specified Public Officials and Management Liability Insurance and General Liability Insurance at a total cost of \$74,278; and approve the related conflict of interest waiver letter submitted by the Authority's general counsel.

DISCUSSION:

Over the past several months, staff has investigated various alternatives from which to procure general liability and errors and omission insurance coverage for the Authority. Those efforts have included discussing coverage issues 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). Unfortunately, ACWA-JPIA and SDRMA and others have not been willing to provide quotes.

The Los Vaqueros Reservoir Phase 2 Expansion is a unique and complex project and the work of the JPA will evolve over the coming years. Staff, in working with Mike Waltz with InterWest Insurance Services, has aimed for the baseline for coverage of risk to be established in as comprehensive and flexible a manner as possible. Staff's objective was to receive quotes for Public Officials and Management Liability insurance. Two providers, CalMutuals JPRIMA and Socius, were responsive. Each offers different policies and degrees of coverage.

Summaries of the quotes and associated coverage are set forth in the attached table and the quotes follow. The Finance Committee reviewed this matter at its March 23 meeting and unanimously recommended that the Authority proceed with procuring coverage through JPRIMA.

One additional factor to this situation is that the Authority's general counsel also is general counsel to JPRIMA, where his services are focused on governance and administrative issues and not coverage or other direct insurance issues. However, the representation of both entities does present a potential conflict of interest, which must be addressed through a conflict of interest waiver letter, which is provided following the two quotes.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

Depending on the coverage selected, annual cost of coverage will be either \$43,492.02 or \$74,278.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Comparison table of proposals received to date and quotes received; conflict of interest waiver letter.

	Cal Mutuals/JPRIMA	SOCIUS/INDIAN HARBOR/ASCOT
Public Officials & Management liability \$10M limit	\$35,461 \$1M occurrence \$10M aggregate	Indian Harbor: \$5M occurrence x \$5M aggregate, \$23,522
General Liability	\$22,494 \$1M Occurrence \$10 M aggregate	n/a; monoline quote only
Excess Line	\$9479(Optional) \$4M limits over GL and POM \$5M occurrence x \$14M aggregate	ASCOT: \$5M x \$5M, \$17,900 (Necessary to meet \$10M coverage limit)
Administrative Fees	Annual Membership \$6,844	n/a
Taxes and Fees	n/a	\$2,070
Exclusions and additional notes		
Note	(\$50,000 Retention)	(\$25,000 Retention)
Defense Costs	Outside of all limits with duty to defend	Inside limit on Indian Harbor and Ascot, specific limits for non-monetary claims
Coverage	Occurrence Based	Claims Made
Additional Exclusions	<ul style="list-style-type: none"> • Inverse Condemnation* • Dam Failure* • Insured v. Insured • Member Agencies v. Insured 	<ul style="list-style-type: none"> • Inverse Condemnation • Dam Failure (not w/in scope of policy offerings) • Insured v. Insured • Member Agencies v. Insured
ANNUAL TOTAL	\$74, 278	\$43,492.02

*Willing to consider coverage as project develops.

Declinations due to risk appetite or not competitive in class:

RSUI, Crum & Forrester, Travelers, AllDigital, Falcon, SDRMA, Glatfelter, ACWA-JPIA.

SOCIUS QUOTE

SOCIUS PRICE QUOTE:

Please see the attached \$5Mx\$5M terms (in addition to the re-attached \$5M primary) from Ascot Specialty (Non-Admitted).

A premium breakdown at \$10M looks like:

Premium - PGUI - \$5M limit:	\$ 23,522.00	(Non-Admitted)
PGUI Policy Fee:	\$ 245.00	
Premium – Ascot - \$5M x \$5M limit:	\$ 17,900.00	(Non-Admitted)
CA Surplus Lines Taxes/Fees @ 3.18%		
in addition to the premium	\$ 1325.02	
Socius Broker Fee: *	\$ 500.00	
Insured’s Total Cost:	\$ 43,492.02	

Commission to Your Agency:

8% of Premium – Primary \$5M

11% of Premium – Excess \$5Mx\$5M

*Do not include Socius broker fee when calculating surplus line taxes & fee.

Please note that both carriers will require the application submitted to be signed and dated.

As always, let me know if you have any questions.

All the best,

Morgan Denebeim, RPLU
Vice President • License No. OM16036
email: Morgan@SociusInsurance.com
mobile: (415) 747-4142
Socius Insurance Services, Inc. • License No. OD606776
99 Osgood Place, Suite 200, San Francisco, CA 94133
License No. OD606776



**Professional
Governmental
Underwriters, LLC**

The Authority.

DBA: PGB Insurance Agency CA License #: 0F65220

4870 Sadler Road, Suite 102
Glen Allen, VA 23060 www.pgui.com
Toll Free: 800-586-6502 Fax: 804-272-7852

25+ YEARS
of excellence
EST. 1993

Public Officials Management & Employment Practices Liability

DBA: PGB Insurance Agency CA license #: 0F65220

Date: 02/28/2023

To: Morgan F. Denebeim
Socius Insurance Services, Inc. - San Francisco
Email: mfdenebeim@sociusinsurance.com

From: Ned Daly
Phone: 804-272-8060
Email: ndaly@pgui.com

Proposed Insured: Los Vaqueros Reservoir JPA
1331 Concord Avenue
Concord, CA 94520

Application #: APP72276103

Thank you very much for your submission. Based upon the information received and subject to the limitations outlined below, we are pleased to offer the following:

QUOTATION

Coverage: See coverage form PGU POL 2001 (04/2017) for terms, conditions and limitations

Form: Claims Made

Retro Date: Inception

Insurer Information: Indian Harbor Insurance Company
A member of the AXA XL Group of Companies
Best Rating: A+
Surplus Lines Insurer

Filings / Taxes: PGU Not Responsible For Tax Filings

Quotation / Indication valid until: 5/15/2023

If we are offering coverage on a surplus lines basis, the agent is responsible for handling of filings unless we note otherwise on this quotation. If we have provided terms using bid specifications or an application other than ours, the quote is subject to change pending review of a completed and signed PGU application.

Public Officials Management & Employment Practices Liability

Proposed Insured: Los Vaqueros Reservoir JPA

Terms	Limits	Retentions each claim including LAE	Premium
Public Officials Management	\$1,000,000	\$25,000	\$13,631.00
Employment Practices Liability	N/A	N/A	N/A
Policy Aggregate	\$1,000,000		
Non-Monetary Coverage - Defense Only	\$50,000	\$25,000	Included
Non-Monetary Coverage - Defense Only Aggregate	\$100,000		
Crisis Management	\$25,000	\$5,000	Included
Features/Enhancements			
Punitive Damages		See Retentions Above	Included
Personal Injury		See Retentions Above	Included
Third Party Wrongful Acts		N/A	N/A
Back Pay / Front Pay		N/A	N/A
Loss of Earnings		See Retentions Above	Included
Optional Increased Limits			
	2,000,000 CSL		\$4,594.00
	3,000,000 CSL		\$2,297.00
	4,000,000 CSL		\$1,500.00
	5,000,000 CSL		\$1,500.00
Premium, Fees and Taxes			
	Total Premium:		\$23,522.00
	Policy Fee :		\$245.00
	Total Cost:		\$23,767.00
Comments:			

Proposed Insured: Los Vaqueros Reservoir JPA

SUBJECTIVITIES - WE MUST BE PROVIDED WITH THESE ITEMS BEFORE COVERAGE CAN BE BOUND:

Reminders:

A written request is required to bind coverage. We will not cancel flat after inception date.
 Backdating of coverage is not allowed. Engineering Fee is non-refundable.
 See attached Coverage Features attachment for additional information.
 Limits, retentions, terms and conditions quoted do not necessarily match those requested.
 This proposal contains a brief outline of coverages to be included in any policy that may be issued in the future.
 This is only a summary and the Terms and Conditions of any policy will take precedence over any proposal.
 Minimum Earned Premium is the GREATER of \$1,500 or 25% of annual premium.

Applicable Forms: (Other forms may apply. Consult Underwriter for details.)

- PN CA 02 01 17 Import Information to Policyholders - California
- PN CA 05 01 20 Notice to Policyholder - California Surplus Lines Important Notice
- PGU POL 2000 08 19 Public Officials and Employment Practices Liability Declarations
- IL MP 9104 0314 IHIC 03 14 In Witness
- PGU 2002 04 17 Schedule of Policy Forms and Endorsements
- PGU POL 2001 04 17 Public Officials and Employment Practices Liability Insurance Policy
- PGU 1010 04 17 Delete Insuring Agreement Item 2. EPLI and Third Party Liability Coverage
- PGU POL 1045 04 17 Defense Expenses Paid Within the Limits of Liability
- PGU 1052 (POL) 04 17 Minimum Earned Premium Upon Cancellation
- PGU 1133 01 22 US Professional Indemnity - Cyber Exclusion
- XL-CASOP 11 10 Service of Process
- PN CW 01 01 22 Notice to Policyholders - Fraud Notice
- PN CW 02 01 19 Notice to Policyholders - Privacy Policy
- PN CW 05 05 19 Notice to Policyholders - U.S. Treasury Department's Office of Foreign Assets Control ("OFAC")



Ascot Apex™ Follow Form Excess Quotation

Date: 3/7/2023

Named Insured:	Los Vaqueros Reservoir JPA
Mailing Address:	1331 Concord Avenue Concord, CA 94520

Producer Contact:	Morgan Denebeim Socius - San Francisco 180 Howard Street Suite 205 San Francisco, CA 94105 mfdenebeim@sociusinsurance.com
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Underwriter Contact:	Devon Lay 3500 Lenox Road Suite 750 Atlanta, GA 30326 devon.lay@ascotgroup.com
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Policy Period:	4/15/2023 to 4/15/2024
Policy Form:	Ascot Apex Excess Follow Form Policy – Form Number EXE-P001-1219-00
Coverage Type:	Excess Non-Profit D&O
Renewal of:	New

Carrier:	Ascot Specialty Insurance Company (Non-Admitted)
Rating:	AM Best Financial Strength Rating of A (Excellent) , a Financial Size Category of XIV

Ascot is pleased to provide our quote for the above captioned firm. Please find all terms and subjectivities listed below. If you have any questions or concerns, please do not hesitate to contact your assigned Underwriter. Thank you for the opportunity to quote.

Coverage		
Aggregate Limit of Liability	Attachment	Policy Premium
\$5,000,000	\$5,000,000	\$17,900



Ascot Apex™ Follow Form Excess Quotation

Followed Policy			
Carrier	Limit	Retention	Premium
Indian Harbor Insurance Company	\$5,000,000	\$25,000	\$23,767

Subjectivities
1. Copy of underlying binders and policies, when issued.
2. Properly completed, signed and dated Competitor Application.
3. SL Tax Form PRIOR TO BINDING.

Additional Information
Pending or Prior Claim/Litigation Date: Inception

Schedule of Forms			
Endt#	Form Name	Form Number	Comments
	Excess Follow Form Declarations Page	EXE-D001-1219-00	
	Excess Follow Form Insurance Policy	EXE-P001-1219-00	
1	Schedule of Forms / Endorsements	EXE-E001-1219-00	
2	Economic Sanctions Endorsement	EXE-C001-1219-00	
3	Service of Suit ASIC	EXE-C010-1219-00	
	Policyholder Terrorism Disclosure		
	CA Surplus Lines Notice		
	ASIC Signature Page	EXE-C006-1219-00	

In order to complete the underwriting process, we require that you send us the additional information requested above. We are not required to bind coverage prior to our receipt, review and underwriting approval of the above information. Please note that if between the date of this indication and the effective date of the policy there is any material change in the condition of the proposed insured or any event or occurrence which may be deemed to be a material change in underwriting exposure by us, we may at our option withdraw or modify this indication by giving you written notice of such.



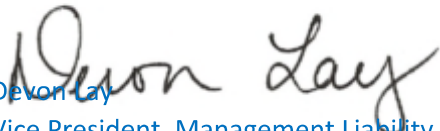
Ascot Apex™ Follow Form Excess Quotation

It is your agency's/brokerage's responsibility to conform to the Laws & Regulations of the applicable jurisdiction, including, but not limited to, payment of premium taxes, procuring of affidavits and compliance with surplus lines laws if applicable.

Copies of the applicable policy form and endorsements are available upon request. Please advise immediately if you believe any element of the coverage provided herein is contrary to that which had been agreed.

This Quote will expire in 60 days from 3/7/2023, or the effective date; whichever is sooner.

Sincerely,


Devon Lay
Vice President, Management Liability

IMPORTANT NOTICE:

- 1. The insurance policy that you are applying to purchase is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website www.insurance.ca.gov. Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at www.naic.org. The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: https://naic.org/state_web_map.htm.**

6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC’s International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or “surplus line” broker to obtain more information about that insurer.

7. California maintains a “List of Approved Surplus Line Insurers (LASLI).” Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm.

8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker’s fee charged for this insurance will be returned to you.

Date: _____

Insured: _____

Surplus Lines Tax Form



Named Insured:	Los Vaqueros Reservoir JPA
Mailing Address:	1331 Concord Avenue Concord, CA 94520
Policy Period:	4/15/2023 - 4/15/2024
Producer:	Socius - San Francisco
State of Filing/Risk:	CA

Attached is the Quotation or Binder for the above listed Insured, written on an Excess and Surplus Lines basis.

Your responsibility, as the producer of this business, is to comply with all Surplus Lines rules and regulations. The rules and regulations include, but are not limited to, the following:

- collection and payment of applicable Surplus Lines taxes and/or fees,
- submission of policies to appropriate state Surplus Lines stamping office(s),
- taking necessary measures to ensure state regulations have been followed regarding authorized company declinations.

You are also responsible for obtaining proper licensure from regulating authorities and being in good standing as an insurance broker in each state in which you do business.

Please return this document completed and signed prior to binding in order to meet your reporting requirements to the insurer and to expedite the processing.

Filing Broker Information

Name	
Address	
License Number	
Expiration Date	
Resident or Non-Resident	
SLA Number (NJ Risks only)	
Signature	



ASCOT APEX™

EXCESS FOLLOW FORM INSURANCE POLICY DECLARATIONS

Item 1.

Named Insured and Address	Insurer
Los Vaqueros Reservoir JPA 1331 Concord Avenue Concord, CA 94520	Ascot Specialty Insurance Company (Non-Admitted)
Policy Number	Producer
	Socius - San Francisco

Item 2.

Policy Period: From: 4/15/2023 To: 4/15/2024
12:01 a.m. local time at the address shown in Item 1.

Item 3.

Aggregate Limit of Liability: \$5,000,000 excess of \$5,000,000 for all **Loss** combined, including **Defense Costs**

Item 4.

Underlying Policies:

Followed Policy Insurer	Followed Policy Number	Followed Policy Limit	Retention/Attachment
Indian Harbor Insurance Company		\$5,000,000	\$25,000

Underlying Policy Insurer(s)	Underlying Policy Number(s)	Underlying Limits	Retention/Attachment
Indian Harbor Insurance Company		\$5,000,000	\$25,000

Item 5.

Policy Premium: \$17,900
TRIA Premium: \$0

Item 6.

Endorsement(s) Effective at Inception: See Schedule of Endorsement(s)

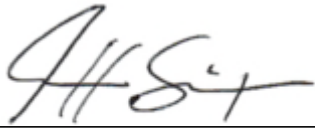
Item 7.

Notice to Insurer:

- (a) Notice of **Claim** or Potential **Claim**
 Attention: Claims Department
 Email: USclaims@ascotgroup.com
- (b) All Other Notices
 Ascot Specialty Insurance Company
 55 W. 46th Street, 26th Floor
 New York, NY 10036
 T: +1 (833) 454-3023

Item 8. **Pending or Prior Claim / Litigation Date:** Inception

In witness whereof, the Insurer has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by the duly authorized representative of the Insurer.



Jeff A. Sipos
Corporate Secretary
DATED:



Matthew Kramer
Chief Executive Officer
COUNTERSIGNED AT: New York, NY



EXCESS FOLLOW FORM INSURANCE POLICY

In consideration of the payment of premium and in reliance on all statements made and information contained in the **Application** or provided to the Insurer in connection with underwriting this Policy, and subject to all of the terms, conditions and exclusions of this Policy, the Insurer and the **Insureds** agree as follows:

I. INSURING AGREEMENT

Except as otherwise stated in this Policy, the Insurer shall provide the **Insureds** with insurance in accordance with the terms, conditions and exclusions set forth in the **Followed Policy**. Liability shall attach to the Insurer only after the insurers of the **Underlying Policies**, the **Insureds**, an excess difference-in-conditions ("DIC") insurer or any other source pay in legal currency loss covered under the respective **Underlying Policy** equal to the full amount of the **Underlying Limit**. The Insurer's maximum aggregate liability for all **Loss** covered under this Policy shall be the Aggregate Limit of Liability as stated in Item 3. of the Declarations.

II. CONDITIONS

- A. If any **Underlying Policy** contains a specific grant of coverage that is subject to a sublimit of liability, then coverage under this Policy shall not apply to any **Loss** which is otherwise subject to such grant of coverage. However, any such **Loss** paid under the **Underlying Policies** shall reduce or exhaust the **Underlying Limit** for purposes of this Policy.
- B. If during the **Policy Period** or any Extended Reporting Period the **Followed Policy** is changed to broaden or expand coverage, such change shall not apply to this Policy unless the Insurer agrees in writing to such broader or expanded coverage and the **Insureds** pay any additional premium required by the Insurer. If any **Underlying Policy** terminates during the **Policy Period** or any Extended Reporting Period, or becomes uncollectable, the Insurer shall not be liable under this Policy to a greater extent than it would have been had such **Underlying Policies** been maintained and were collectable.
- C. Notice to the Insurer shall be given at the respective address shown in Item 7. of the Declarations. Any notice to the insurer of an **Underlying Policy** shall not constitute notice to the Insurer unless also given to the Insurer as provided above.
- D. The Insurer may, at its sole discretion, fully and effectively associate with the **Insureds** in the investigation, defense or settlement of any **Claim** or potential **Claim** reported to the Insurer under this Policy even if the **Underlying Limit** has not been exhausted. No action by any other insurer shall bind the Insurer under this Policy.
- E. The additional premium for any elected Extended Reporting Period shall be the same percentage of this Policy's annual premium as the percentage stated in the **Followed Policy** for calculating the Extended Reporting Period premium unless otherwise endorsed by this Policy.

III. DEFINITIONS

- A. **Application, Claim and Loss** shall have the same meaning as set forth in the **Followed Policy**.
- B. **Followed Policy and Underlying Policies** means the policies designated as such in the Declarations.
- C. **Insureds** means the entities and natural persons insured under the **Followed Policy**.
- D. **Policy Period** means the period of time designated in Item 2. of the Declarations, subject to any earlier cancellation date.
- E. **Underlying Limit** means an amount equal to the total limits of liability of all **Underlying Policies**, as set forth in the Declarations, plus any applicable retention or deductible under the **Underlying Policies**.





SCHEDULE OF FORMS /ENDORSEMENTS

Named Insured	Policy Number	Effective Date	Endorsement No.
Los Vaqueros Reservoir JPA		4/15/2023	1

Schedule of Forms		
Endorsement No.	Form Name	Form Number
	Excess Follow Form Declarations Page	EXE-D001-1219-00
	Excess Follow Form Insurance Policy	EXE-P001-1219-00
1	Schedule of Forms / Endorsements	EXE-E001-1219-00
2	Economic Sanctions Endorsement	EXE-C001-1219-00
3	Service of Suit ASIC	EXE-C010-1219-00
	Policyholder Terrorism Disclosure	
	CA Surplus Lines Notice	
	ASIC Signature Page	EXE-C006-1219-00





ECONOMIC SANCTIONS ENDORSEMENT

Named Insured	Policy Number	Effective Date	Endorsement No.
Los Vaqueros Reservoir JPA		4/15/2023	2

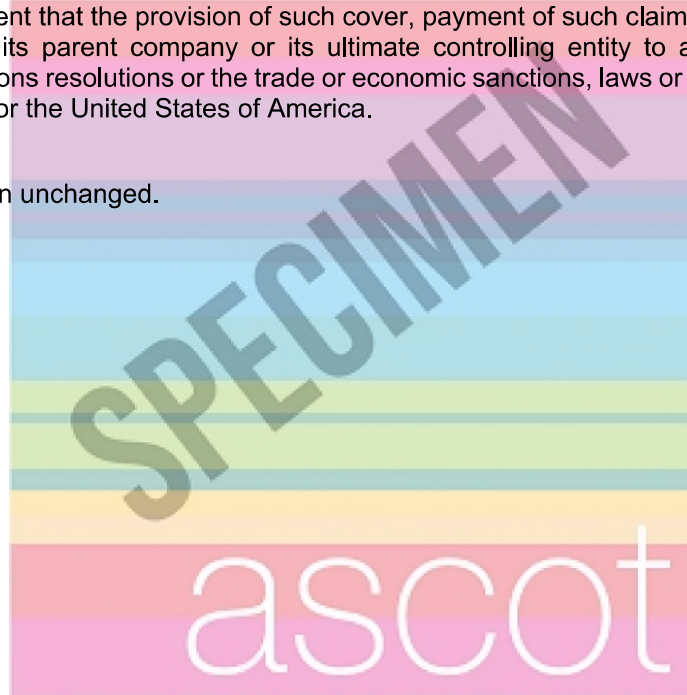
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW FORM INSURANCE POLICY

- A. Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.
- B. The Insurer shall not be deemed to provide cover and the Insurer shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, the United Kingdom or the United States of America.

All other terms and conditions remain unchanged.





SERVICE OF SUIT

Named Insured	Policy Number	Effective Date	Endorsement No.
Los Vaqueros Reservoir JPA		4/15/2023	3

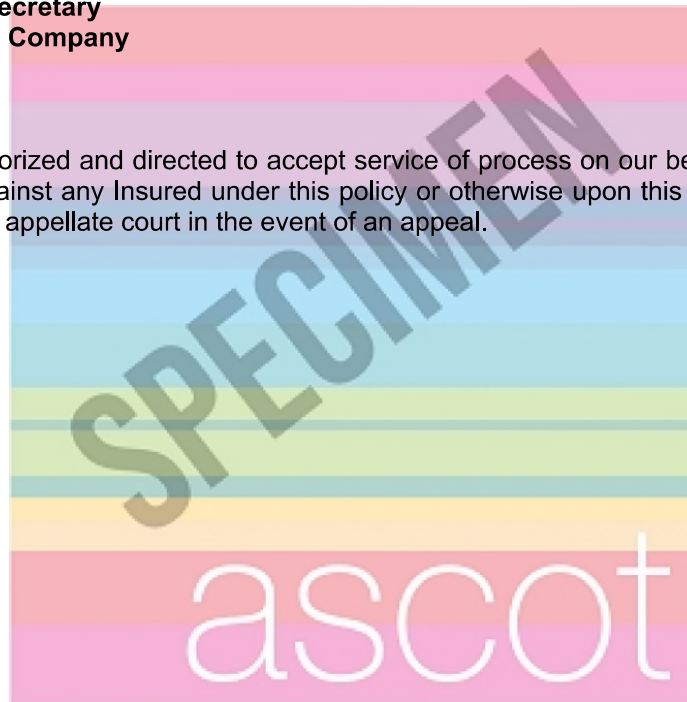
It is hereby understood and agreed that *Ascot Specialty Insurance Company* may be sued upon any cause of action arising under any insurance contract made by *Ascot Specialty Insurance Company* or evidence of insurance issued or delivered by the producer, in the courts for the county(s) where the insurance provides coverage or in the courts of New York, New York where the insurer maintains its home office.

It is further agreed that service of process in such suit may be made upon the appropriate person at the state Department of Insurance, Secretary of State or other designee as provided for in specific state laws and/or regulations.

When service of process is made upon a statutory designee according to state law, such process should be provided via certified mail to:

Jeff A. Sipos, Corporate Secretary
Ascot Specialty Insurance Company
55 W. 46th Street
New York, NY 10036

The above-named individual is authorized and directed to accept service of process on our behalf in any suit. It is further agreed that in any suit instituted against any Insured under this policy or otherwise upon this policy, we will abide by the final decision of such court or of any appellate court in the event of an appeal.





POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

MANDATORY OFFER OF COVERAGE FOR “ACT OF TERRORISM” AND DISCLOSURE OF PREMIUM

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended**: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

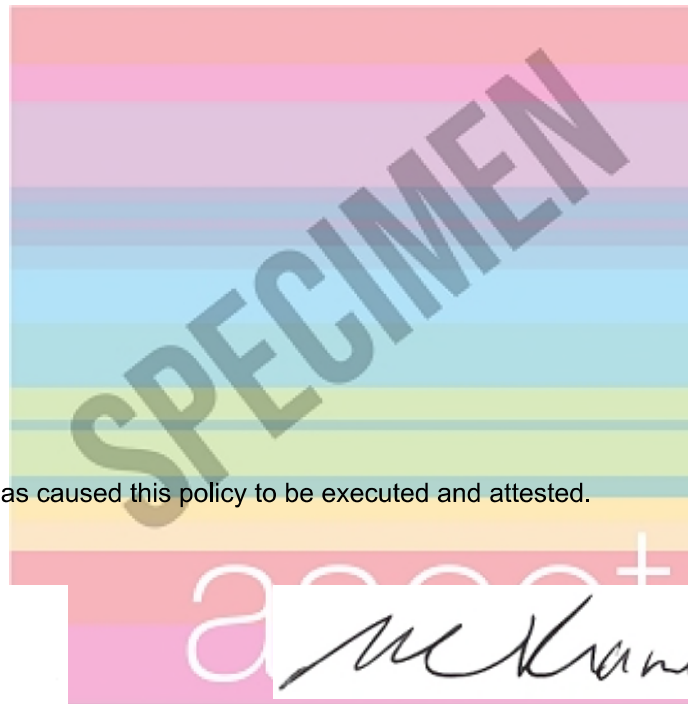
MANDATORY PREMIUM DISCLOSURE STATEMENT

Your policy does not contain an exclusion for losses resulting from an “act of terrorism.” Coverage for such losses is still subject to, and may be limited by, all other terms, conditions and exclusions in your policy. The premium charge for this coverage for the policy period is \$0.



Underwritten by: **Ascot Specialty Insurance Company**

Administrative Office: 55 West 46th Street, 26th Floor • New York, New York • 10036
1-646-356-8101 • A Stock Company



In Witness Whereof, the Company has caused this policy to be executed and attested.

A handwritten signature in black ink, appearing to read "J. Sips", is written over a horizontal line.

Jeff A. Sips
Corporate Secretary

A handwritten signature in black ink, appearing to read "Matthew Kramer", is written over a horizontal line. The signature is partially overlaid by the large "SPECIMEN" watermark.

Matthew Kramer
Chief Executive Officer

CALMUTUALS JPRIMA QUOTE



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

**COVERAGE PROPOSAL
Los Vaqueros Reservoir JPA**

**COVERAGE PERIOD
4/1/2023 - 4/1/2024**

**PRESENTED BY:
InterWest Insurance Services, LLC**



**Insurance Administrator
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322**



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or insurance broker. It may or may not contain all terms requested on the application. Coverage is provided by the JPRIMA Memorandum of Coverage (MOC) and subject to its terms, exclusions, conditions and limitations. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

PAGE	COVERAGE SECTION		PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment, if offered in the section)	\$	N/A
8	SECTION 2. COMMERCIAL CRIME	\$	N/A
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	22,494.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk, if offered in the section)	\$	35,461.00
12	SECTION 5. BUSINESS AUTO	\$	N/A
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	9,479.00
		MEMBER CONTRIBUTION	\$ 67,434.00
		JPRIMA ADMINISTRATION FEES	\$ 6,844.00
		TOTAL AMOUNT DUE*	\$ 74,278.00

*Payment is due within thirty (30) days of binding.

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2023.

Terrorism coverage is automatically included for Property and General Liability.



SECTION 1. PROPERTY*

***PROPERTY IS INCLUDED IN THE PROPOSAL: No**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	N/A
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	N/A
Equipment Breakdown / Boiler & Machinery:	N/A
Mobile Equipment (scheduled):	N/A
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	N/A
Mobile Equipment (borrowed, rented & leased):	N/A
Flood Zone X: (shaded/unshaded)	N/A

DEDUCTIBLES:

N/A	Property
N/A	Mobile Equipment
N/A	Equipment Breakdown (aboveground & less than 50 feet belowground)
N/A	Equipment Breakdown (greater than 50 feet belowground)
N/A	Flood Zone X (per occurrence)
N/A	Unmanned Aircraft (Drone)

COVERAGE HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance
- Equipment Breakdown

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X only)

COVERAGE PROPOSAL FOR MEMBER: Los Vaqueros Reservoir JPA

EFFECTIVE DATE: 4/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

SPECIAL COVERAGES:

- **New Locations or Newly Constructed Property:**
Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.
- **Utility Services – Direct Damage, Business Income & Expense:**
Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.
- **Pollution Remediation Expenses:**
Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.
- **SCADA Upgrades:**
Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.
- **Contract Penalties:**
Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- **Contamination:**
Pays up to \$ for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.
- **Property In Transit:**
Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.
- **Unintentional Errors:**
Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock; but only if such penstock is scheduled in the policy;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Hydrants, but only if scheduled in the policy;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 100 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

KEY DEFINITIONS *(continued)*

■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment or structures;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises; or
- Dumpsters, concrete trash containers, or permanent recycling bins;

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, lathe, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage		Limit	
Accounts Receivable	\$500,000	\$1,000,000	\$2,000,000
Valuable Papers and Records	\$500,000	\$1,000,000	\$2,000,000
Contamination	\$250,000	\$500,000	
Tools and Equipment Owned by Your Employees	\$5,000	\$10,000	\$25,000
Personal Effects and Property of Others	\$5,000	\$10,000	\$25,000
New Locations or Newly Constructed Property	\$1,000,000		
Business Personal Property at New Locations	\$1,000,000		
Backup/Overflow of Water from Sewer, Drain, Sump	\$250,000		
Utility Services – Direct Damage	\$250,000		
Utility Services –	\$250,000		
Business Income and Extra Expense			
Dependent Business Premises	\$250,000		
Property at Other Locations	\$250,000		
Pollution Remediation Expense (specified cause of loss)	\$250,000		
Outdoor Property (unscheduled)	\$		
Contract Penalties	\$100,000		
Pollution Remediation Expense (covered cause of loss)	\$100,000		
Property in Transit	\$100,000		
SCADA Upgrades	\$100,000		
Indoor and Outdoor Signs (unscheduled)	\$		
Limited Coverage for “Fungus”, Wet Rot or Dry Rot	\$50,000		
Fine Arts	\$		
Fire Department Service Charge	\$25,000		
Fire Protection Devices	\$25,000		
Key and Lock Replacement Expenses	\$25,000		
Trees, Shrubs & Plants (maximum \$1,000 any one item)	\$25,000		
Arson Reward	\$10,000		
Rental Reimbursement – Mobile Equipment	\$10,000		
Cost of Inventory or Adjustment	\$5,000		
Non-Owned Detached Trailers	\$5,000		
Water Contamination Notification Expenses	\$5,000		
Patterns, Dies, Molds, Forms	\$2,500		
Debris Removal	25% of scheduled limit plus \$250,000		
Ordinance or Law Provision	100% of scheduled limit plus 25%		

NOTES:

Contribution is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Property Coverage is Excluded

COVERAGE PROPOSAL FOR MEMBER: Los Vaqueros Reservoir JPA

EFFECTIVE DATE: 4/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME IS INCLUDED IN THE PROPOSAL: No**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

COVERAGE GROUP SELECTED	EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$1,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$2,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE:

\$0 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

COVERAGE HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

Crime Coverage is Excluded.

COVERAGE PROPOSAL FOR MEMBER: Los Vaqueros Reservoir JPA

EFFECTIVE DATE: 4/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 3. GENERAL LIABILITY*

***GENERAL LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$1,000,000
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

\$50,000 Per Occurrence or Offense including expenses

COVERAGE HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Enrolled Named Member
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGE(S):

COVERAGE PROPOSAL FOR MEMBER: Los Vaqueros Reservoir JPA

EFFECTIVE DATE: 4/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any Enrolled Named Member to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. Available via endorsement only.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Enrolled Named Member. However, no coverage is provided under this exception for petroleum underground storage tanks.
- **Damage to Impaired Property or Property Not Physically Injured**
Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to “your product” or “your work” after it has been put to its intended use.
- **Fungi or Bacteria**
Coverage is provided for bodily injury or property damage arising from any “fungi” or bacteria that are, are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.
- **Recall of Products, Work or Impaired Property**
Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: “Your product”; “Your work”; or “Impaired property”; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:

- Dam Failure is Excluded.**
- Insured vs. Insured Exclusion will be applied.**
- Member Agencies vs Insured Exclusion will be applied.**
- Inverse Condemnation is Excluded.**



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***PUBLIC OFFICIALS & MANAGEMENT LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$1,000,000 per act
Employment Practices (including third party discrimination)	\$1,000,000 per offense
Employee Benefit Plans	\$1,000,000 per act
Injunctive Relief	\$5,000 per act
	\$10,000,000 aggregate limit

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts	\$1,000,000 per act
¹ Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Privacy Retroactive Date: 4/01/2023 Privacy Deductible: None.	
*\$1,000,000 maximum annual aggregate applies per Enrolled Named Member, with a \$2,000,000 coverage form aggregate applicable to all participating Enrolled Named Members.	

OPTIONAL COVERAGE(S):

RETROACTIVE DATE:

N/A

DEDUCTIBLE:

\$50,000 Each Wrongful Act or Offense including expenses

COVERAGE HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Enrolled Named Member including Past and Future Employees
- Outside Directorship

NOTES:

Insured vs. Insured Exclusion will be applied.
Member Agencies vs Insured Exclusion will be applied.
Inverse Condemnation is Excluded.

COVERAGE PROPOSAL FOR MEMBER: Los Vaqueros Reservoir JPA

EFFECTIVE DATE: 4/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 5. BUSINESS AUTO*

***BUSINESS AUTO IS INCLUDED IN THE PROPOSAL: No**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

PORTFOLIO:

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	No Coverage	N/A
Hired Auto Liability	No Coverage	N/A
Non-Owned Auto Liability	No Coverage	N/A
Medical Payments	No Coverage	N/A
Uninsured / Underinsured Motorists	No Coverage	N/A
Hired Physical Damage	No Coverage	N/A
Owned Physical Damage – Comprehensive	No Coverage	N/A
Owned Physical Damage – Collision	No Coverage	N/A
Towing & Rental Car Reimbursement (covered accident)		N/A
Fleet Automatic		N/A

DEDUCTIBLE:

Liability: None
Comprehensive: N/A
Collision: N/A

NOTES:

Auto Coverage is Excluded.



SECTION 6. EXCESS LIABILITY*

***EXCESS LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- American Family Connect Property & Casualty Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Following Form
- Occurrence
- Defense Costs Outside the Limits

LIMITS:

\$4,000,000/\$4,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability -Yes
 Hired and Non-Owned Auto Liability - No
 Owned Auto Liability - No
 Public Officials & Management Liability - Yes
 Wrongful Acts -Yes
 Employment Practices - Yes
 Employee Benefit Plans - Yes
 Employers' Liability: *(minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000)* - No
 Other:

NOTABLE EXCLUSION:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employers' Liability

NOTES:

Employers' Liability subject to JPRIMA security requirements.

Please provide current WC declaration page for EL consideration in Excess line.



April 12, 2023

VIA E-MAIL AND PERSONAL DELIVERY

Ms. Angela Ramirez Holmes, Chair
Los Vaqueros Reservoir Joint Powers Authority

Mr. P. David Michalko, President
California Association of Mutual Water
Companies Joint Powers Risk and
Insurance Management Authority

Re: Conflict of Interest Waiver – Procurement of Insurance

DISCLOSURE OF POSSIBLE ATTORNEY CONFLICT OF INTEREST

To Chair Ramirez Holmes and President Michalko:

As has been discussed, I and my firm, Lagerlof, LLP (the “firm”), currently serve as general counsel to each of your entities. In representing the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (“JPRIMA”), that representation focuses on governance and administrative issues. Claims handling and any legal services in defending claims are handled by other law firms. In my representation of the Los Vaqueros Reservoir Joint Powers Authority (“LVR JPA”), I provide a broad array of legal services related to the LVR JPA’s governance and operations.

The LVR JPA recently solicited quotes for insurance to cover directors’ and officers’ liability and general liability. JPRIMA (without my involvement) provided a responsive quote and at the March 23 LVR JPA Finance Committee meeting, the Finance Committee recommended to the LVR JPA’s Board of Directors to accept that quote and bind coverage with JPRIMA. In that Finance Committee meeting, I disclosed my role as general counsel of JPRIMA and disclosed I was not at all involved in the solicitation or preparation of that quote, except for mentioning JPRIMA as a possible alternative from which to obtain coverage. I receive no compensation that would result from the LVR JPA binding coverage with JPRIMA.

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The Rules of Professional Conduct of the State Bar of California, as set forth below, prohibit me and the firm from concurrently representing clients with potentially adverse interests without their informed written consent. Certainly, where two parties enter into an agreement, such as one party providing insurance coverage to another, there may be situations where adverse interests arise. An example would be a dispute over coverage of a claim.

In this particular situation, there may be some unanticipated issues that may arise where one entity may have a different desire from the other entity. If such a situation does arise, I will consult with each of you regarding the situation and determine the appropriate course on which to proceed, which may include my recusal from representing one or both parties. In all cases, I will maintain the confidentiality of all information (i.e., not disclose such information to the other party) conveyed to me in regards to the pertinent issue(s).

Should either entity feel for any reason that you need the advice of another attorney regarding any aspect of the services the firm provides for you, you should feel free to obtain your own attorney to provide advice and counsel on the matter and to assure you that the firm's representation of one entity is not adversely influenced by the firm's representation of the other entity.

I have no reason to expect that any of these problems will actually arise in this representation. Nevertheless, the ethical rules governing the conduct of lawyers require that I explain to you the problems that could arise if the firm represents both entities at the same time and that I obtain your consent to this joint representation.

I have explained these possible problems and the potential advantages of separate counsel to you. Having been provided with all of this information, you are agreeable to my and the firm's continued representation of your respective entity.

If conflicts arise between your two entities such that it is impossible in for the firm to perform its obligations to each of you in accordance with the terms of this letter, the firm will withdraw from further joint representation as to that issue at that time and advise one or both of you to obtain independent counsel. If these terms are acceptable, please sign below.

Additionally, as a member of the California State Bar, I am governed by the Rules of Professional Conduct relating to representation of clients when actual or potential conflicts of interest exist. Rule 1.7 of the Rules of Professional Conduct of the California State Bar provides as follows:

“Rule 1.7 Conflict of Interest: Current Clients

(a) A lawyer shall not, without informed written consent from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.

(b) A lawyer shall not, without informed written consent from each affected client and compliance with paragraph (d), represent a client if there is a significant risk the lawyer's representation of the client will be materially limited by the lawyer's responsibilities to or relationships with another client, a former client or a third person, or by the lawyer's own interests.

(c) Even when a significant risk requiring a lawyer to comply with paragraph (b) is not present, a lawyer shall not represent a client without written disclosure of the relationship to the client and compliance with paragraph (d) where:

(1) the lawyer has, or knows that another lawyer in the lawyer’s firm has, a legal, business, financial, professional, or personal relationship with or responsibility to a party or witness in the same matter; or

(2) the lawyer knows or reasonably should know that another party’s lawyer is a spouse, parent, child, or sibling of the lawyer, lives with the lawyer, is a client of the lawyer or another lawyer in the lawyer’s firm, or has an intimate personal relationship with the lawyer.

(d) Representation is permitted under this rule only if the lawyer complies with paragraphs (a), (b), and (c), and:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law; and

(3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.

(e) For purposes of this rule, “matter” includes any judicial or other proceeding, application, request for a ruling or other determination, contract, transaction, claim, controversy, investigation, charge, accusation, arrest, or other deliberation, decision, or action that is focused on the interests of specific persons, or a discrete and identifiable class of persons.”

If you agree that the firm may represent each of your entities in light of the disclosed conflict of interest, please sign and return a copy of this letter to me at your earliest convenience. Please also know that you can contact independent counsel to represent you if you so desire. Please let me know if you have any questions concerning this matter. Thank you for your cooperation with respect to these legal requirements and I look forward to continuing to work with your respective agencies.

Very truly yours,

James D. Ciampa

I acknowledge the potential conflict of interest described above and consent to the continued representation of my agency by Lagerlof, LLP and James Ciampa.

Los Vaqueros Reservoir Joint
Powers Authority

California Association of Mutual Water
Companies Joint Powers Risk and Insurance
Management Authority

By _____
Angela Ramirez Holmes, Chair

By _____
P. David Michalko, President

ITEM 2.3: AMENDMENT OF AGREEMENT WITH KHADAM CONSULTING, INC.

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

That the Board of Directors approve the amendment of the Authority's contract with Khadam Consulting Inc. to increase the not to exceed amount of that contract from \$49,500.00 to \$109,500.00, to add a provision to provide for the possible cancellation of the contract as specified and to authorize the Executive Director to execute any such amendment.

DISCUSSION:

At the December 14, 2022 Board of Directors meeting, the Board approved a contract with Khadam Consulting Inc. for Program Support services to be provided to the Authority. That contract is through the end of the current fiscal year, June 30, 2023, and was in an 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 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 to not to exceed \$109,500.00, to reflect services to be provided in the range of \$20,000.00 per month for the three months that comprise the remaining three months of the 2022-23 fiscal year. In addition, Khadam Consulting, Inc. is included in a proposal 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. A provision to address that possibility is included in the attached amendment.

ALTERNATIVES:

The Board could require that these professional services be acquired competitively, but that is not required by law or under the Authority's Purchasing Policy for such professional services and Khadam Consulting Inc. has much experience with the Project and the various state and federal partner agencies.

FISCAL ANALYSIS:

Increase to the contract amount of \$60,000.00 to result in a revised total not to exceed amount of \$109,500.00. Funds in the 2022-23 fiscal year budget for contingencies are available for this increased cost.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft Amendment to Standard Services Agreement Khadam Consulting, Inc.; Standard Services Agreement with Khadam Consulting Inc.

Amendment to Standard Services Agreement

This Amendment to Standard Services Agreement (“Agreement”) between Los Vaqueros Reservoir Joint Powers Authority (“JPA”) and Khadam Consulting Inc (the "Consultant") amends the Standard Services Agreement between the parties entered into December 14, 2022, with respect to the following:

RECITALS

- A. The JPA and Consultant entered into the Agreement on or about December 14, 2022.
- B. Section 1 of the Agreement provides for the modification of the Agreement by written amendment signed by the parties.
- C. The JPA and Consultant now desire to amend the following provisions of the Agreement, as follows:

- I. Section 3, titled Payment, is amended to read in its entirety as follows, with the amended provision underlined:

“3. Payment. Consultant shall at convenient intervals not more frequent than monthly submit itemized statements of services performed at the rates and charges in Attachment A. If invoices are submitted on a monthly basis, they must be submitted by the tenth (10th) day of the month for services rendered in the prior month. The JPA shall pay for work satisfactorily performed within thirty (30) days after receipt of a statement. Without the prior written approval of the JPA, the total amount payable by JPA for Consultant’s services pursuant to this Agreement shall not exceed \$109,500.00 for services rendered through June 30, 2023.”

- II. Section 17, titled Termination, is amended to read in its entirety as follows, with the added provision underlined:

“17. Termination. JPA may terminate this Agreement at any time by thirty (30) days prior written notice to Consultant. Either party may terminate this Agreement upon written notice if the other party has breached the Agreement and such breach is not remedied within at least fifteen (15) days after written notice of that breach is provided to the breaching party, or if such breach is not capable of being remedied within that fifteen (15) day period, the breaching party fails to commence and diligently pursue that remedy within that fifteen (15) day period. Upon termination, the JPA shall pay Consultant for all amounts due for services rendered up to the date of termination. Notwithstanding the foregoing provisions, in the event Consultant is included as a subconsultant or subcontractor under any agreement the JPA enters into with another entity, this Agreement will terminate immediately upon the effective date of such other agreement.”

- III. Except as amended by Sections I and II above, the Agreement shall remain unchanged and in full force and effect.

IN WITNESS THEREOF, the parties hereto have made and executed this Amendment as of the day and year written below.

Los Vaqueros Reservoir Joint Powers Authority

By: _____ Date: 4/__/2023

Name: Taryn Ravazzini
Title: Executive Director

CONSULTANT: Khadam Consulting Inc.

By: _____ Date: 4/__/2023

Name: Ibrahim Khadam
President

APPROVED AS TO FORM:

JPA Legal Counsel

LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
Standard Services Agreement

THIS AGREEMENT for services is between Los Vaqueros Reservoir Joint Powers Authority ("JPA") and Khadam Consulting Inc (the "Consultant"). Consultant's address is 9542 Timber River Way, Elk Grove, CA 95624. Consultant's taxpayer's identification number is: 92-0704887.

1. The Agreement. JPA and Consultant agree that Consultant shall provide Program Support consulting services for the JPA and shall perform those services on the terms and conditions set forth herein. The specific scope of services is defined in Attachment A - Scope of Work.

The following document is attached hereto and is a part of this Agreement:

Attachment A - Scope of Work / Project Schedule / Project Fees

This Agreement, including said attachment, constitutes the entire agreement between the parties and supersedes any prior proposals, representations, or understandings. This Agreement may be modified only by a written amendment signed by each party.

2. Time of Performance. Consultant is authorized to commence performance of this Agreement upon its execution by the JPA. Consultant shall complete all services covered by this Agreement no later than June 30, 2023, unless this date is extended by the JPA in writing. At the JPA's discretion, the JPA may extend the term of the Agreement.

3. Payment. Consultant shall at convenient intervals not more frequent than monthly submit itemized statements of services performed at the rates and charges in Attachment A. If invoices are submitted on a monthly basis, they must be submitted by the tenth (10th) day of the month for services rendered in the prior month. The JPA shall pay for work satisfactorily performed within thirty (30) days after receipt of a statement. Without the prior written approval of the JPA, the total amount payable by JPA for Consultant's services pursuant to this Agreement shall not exceed \$49,500.00 for services rendered through June 30, 2023.

4. Consultant an Independent Contractor. Consultant shall perform the consulting services under the Agreement as an independent contractor and not as an employee of the JPA. Consultant shall be wholly responsible for the methods of performance and shall provide and use its own tools and equipment in performing those consulting services. The JPA shall have no right to supervise or control Consultant's performance but shall have the right to observe it to ensure compliance with the requirements of this Agreement. Consultant maintains its own business office, complies with all applicable business license laws, customarily engages in an independently established business the purposes of which is to perform services of the same nature as that involved in the work performed hereunder, can contract with other businesses to provide the same or similar services, maintains a clientele without restrictions from the JPA and advertises and holds itself out to the public as available to provide the same or similar services as those required hereunder. Consultant shall work closely with the JPA in performing the services.

5. Insurance.

A. Without in any way limiting Consultant's liability pursuant to the "Indemnification" section of this Agreement, Consultant must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverage:

(1) Workers' Compensation, in not less than statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(2) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence, \$2,000,000 aggregate, for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(3) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable; and

(4) Professional liability insurance, applicable to Consultant's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with professional services to be provided under this Agreement.

B. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to:

(1) Name as Additional Insureds, the JPA, its members and their respective directors, officers, agents, employees, and volunteers.

(2) Provide that such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

C. Regarding Workers' Compensation, Consultant hereby agrees to waive its rights to subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the JPA for all work performed by the Consultant, its employees, agents and subcontractors.

D. All policies shall provide thirty days' advance written notice to the JPA of reduction or nonrenewal of coverage or cancellation of coverage for any reason.

E. Should any of the required insurance be provided under a claims-made form, Consultant shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of four years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

F. Before commencing any work under this Agreement, Consultant shall furnish to the JPA certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to the

JPA, in form evidencing all coverage set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

G. Approval of the insurance by the JPA shall not relieve or decrease the liability of Consultant hereunder.

H. If a subcontractor will be used to complete any portion of this agreement, the Consultant shall ensure that the subcontractor obtains all necessary insurance, which shall name the JPA, and its respective directors, officers, agents and employees and the Consultant as Additional Insureds.

6. [intentionally omitted]

7. Abandonment by Consultant. In the event the Consultant ceases performing services under this Agreement or otherwise abandons the project prior to completing all of the services described in this Agreement, Consultant shall, without delay, deliver to the JPA all materials and records prepared or obtained in the performance of this Agreement, and shall be paid for the reasonable value of the services performed up to the time of cessation or abandonment, less a deduction for any damages or additional expenses which the JPA incurs as a result of such cessation or abandonment, such as expenses associated with obtaining substitute services.

8. Records and Documents. Upon request, and at no additional charge, Consultant shall deliver to the JPA all records, data, and reports prepared or obtained in the performance of the Agreement, which shall become and remain the property of the JPA. This includes, but is not limited to, all materials and records of a finished nature that are prepared or obtained in the performance of this Agreement, and all materials of a preliminary nature, such as computations and other data prepared or obtained in the performance of this Agreement.

9. Right to Audit. Consultant shall permit the JPA and its authorized representatives to examine, re-examine, make excerpts, transcribe and copy Consultant's books, documents, papers, materials, payrolls, records, accounts, computer disks, tapes and any and all data relevant to the Agreement at any reasonable time upon at least seventy-two (72) hours' prior written notice within three years after final payment under the Agreement. Consultant shall also permit the JPA and its authorized representatives to audit and verify statements, invoices, or bills submitted by Consultant pursuant to the Agreement. Consultant shall provide such assistance as may be reasonably required in the course of such examination and audit.

10. Compliance with Laws and Regulations. In performing this Agreement, Consultant shall comply with all applicable laws, statutes, ordinances, rules and regulations whether federal, state or local in origin. Consultant shall not allow its employees and/or agents to discriminate, harass, or allow harassment, retaliation, or abusive conduct by or against any person or persons. Immediate and appropriate corrective action by the JPA, up to and including termination of this Agreement, will be implemented as warranted for any and all such reported misconduct.

11. Standard of Care; Breach, Error, and Omission. In the event that Consultant fails to perform any of the services described in this Agreement or otherwise breaches this Agreement, JPA shall have the right to pursue all remedies provided by law or equity, including termination of this Agreement in accordance with Section 17, below. Consultant shall exercise the same degree of care, skill, and diligence in the performance of the Agreement as would be exercised by a reasonable professional performing similar work under similar circumstances, and shall, at no cost to JPA, re-perform services which fail to satisfy this standard of care. In addition, any costs incurred by the JPA (including but not limited to, additional administrative costs, to the

extent that such costs are recoverable under California law) and used to correct deficiencies caused by the Consultant's errors and omissions shall be borne solely by the Consultant. The JPA is relying upon the Consultant's qualifications concerning the services furnished under this agreement, and therefore the fact that the JPA has accepted or approved the Consultant's work shall in no way relieve the Consultant of these responsibilities.

12. [intentionally omitted]

13. Indemnification. If an action is filed or claim is filed in which it is claimed or alleged that any damages, injuries, or deaths arose out of, pertained to, or related to negligent acts, errors or omissions, recklessness, or willful misconduct of Consultant (or any person or organization for whom Consultant is legally liable), in the performance of the services for the JPA, Consultant agrees, at its own expense, to defend JPA and its Directors, officers, employees, and agents; provided, however, that no settlement of a claim shall be made without the consent of the JPA.

To the extent permitted by law, Consultant shall indemnify the JPA, its members and their respective directors, officers, employees, and agents from any and against all claims, demands, costs, including reasonable attorney's fees, and liability for any damages, injuries, or deaths arising directly or indirectly from, or connected with, the services provided under this Agreement and due to, or claimed or alleged to be due to, negligence, recklessness, or willful misconduct of Consultant (or any person or organization for whom Consultant is legally liable). Consultant will reimburse the JPA for any expenditures, including reasonable attorney's fees, the JPA may make by reason of such matters and, if requested by the JPA, will defend any such suits at the sole cost and expense of Consultant.

To the extent permitted by law, Consultant shall also indemnify the JPA, its members and their respective Directors, officers, employees, and agents, against any and all claims, demands, costs and expenses at law or in equity including reasonable attorney's fees, and liability, suffered or incurred on account of, or that may at any time arise out of, or are in any way connected with, any breach by Consultant, or its employees, agents, subconsultants, or subcontractors, of the obligations, covenants, or any other provisions of this Agreement.

This Section shall survive any expiration or termination of this Agreement.

14. Confidentiality. Consultant shall treat any information it may come to have relating to the Agreement with confidence, revealing information to third parties only with prior written approval of JPA.

15. Assignment. The Agreement shall not be assignable or transferable in whole or in part by Consultant, whether voluntarily, by operation of law, or otherwise; provided, however, that Consultant with the prior written consent of the JPA may subcontract that portion of the services for which Consultant does not have the facilities to perform so long as Consultant receives written approval from the JPA of the qualifications of the subcontractor or sub-consultant qualifications prior to execution of this Agreement. Any other purported assignment, transfer, or subcontracting shall be void. Nothing in the Agreement shall be construed to give any right or benefit to anyone other than JPA and Consultant.

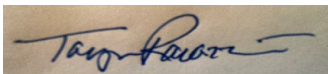
16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

17. Termination. JPA may terminate this Agreement at any time by thirty (30) days prior written notice to Consultant. Either party may terminate this Agreement upon written notice if the other party has breached the Agreement and such breach is not remedied within at least fifteen (15) days after written notice


of that breach is provided to the breaching party, or if such breach is not capable of being remedied within that fifteen (15) day period, the breaching party fails to commence and diligently pursue that remedy within that fifteen (15) day period. Upon termination, the JPA shall pay Consultant for all amounts due for services rendered up to the date of termination.

IN WITNESS THEREOF, the parties hereto have made and executed this Agreement as of the day and year written below.

Los Vaqueros Reservoir Joint Powers Authority

By:  Date: 12/14/2022
Name: Taryn Ravazzini
Title: Executive Director

CONSULTANT: Khadam Consulting Inc.

By:  Date: 12/6/2022
Name: Ibrahim Khadam
President

APPROVED AS TO FORM:

JPA Legal Counsel

**Consulting Services Agreement
Between Los Vaqueros Reservoir Joint Powers Authority (“JPA”) and
Ibrahim Khadam (“Consultant”)**

Task Order 1 - JPA Administration Planning and Technical Support

The Consultant will provide technical and planning support as requested by the JPA Executive Director related to the following activities:

1. Federal Agreement Development Support:

The Bureau of Reclamation continues to assess federal interest and participation in the Los Vaqueros Reservoir Expansion Project (LVE) following the completion of the Federal Feasibility Report in 2020. The Consultant will provide as needed planning and technical services to support ongoing engagement with Reclamation to issue the Record of Decision and secure federal construction funds.

2. Contracts for the Administration of Public Benefits Support:

Contracts for the administration of public benefits between the JPA and Department of Water Resource (DWR), and between the JPA and California Department of Fish and Wildlife (CDFW) are required ahead of the final award hearing for the LVE Water Storage Investment Program funding. The Consultant will provide as-needed planning and technical services to develop presentations and briefing materials, and review draft agreement documents in support of contract negotiations with DWR and CFDW.

3. JPA Members’ Service Agreements Support:

The Service Agreements with the JPA Members are planned to be formalized by the end of 2023. One of the outstanding items is a resolution on the mechanism for sharing of storage and delivery capacity. This is especially important during times of constrained capacity and high demand leading to competition among the JPA Members. The Consultant will develop materials and tools to support discussion and negotiations among JPA Members to clarify the nature and timing of constraints, develop illustrative scenarios to highlight how sharing mechanisms might work, and memorialize findings and recommendations.

Deliverables:

- Presentations, briefing materials, and meeting summaries, as requested
- Draft and Final Technical Memoranda, as requested

Task Order 2 – WIFIA Loan Application Support

Following submittal of a letter of interest to the U.S. Environmental Protection Agency, LVE was invited to continue to the application process for a WIFIA Loan. The WIFIA program conducts a detailed financial and engineering review of the project. Based on that review, the WIFIA program proposes terms and conditions for the project and negotiates them with the applicant until they develop a mutually agreeable term sheet and loan agreement. Under this Task Order, the Consultant will in conjunction with the Authority’s financial consultant, provide

as-needed planning, cost, and economic analysis to support the preparation of the WIFIA loan application documentation.

Deliverables

- Draft and Final WIFIA loan application sections and attachment, as requested.

Consultant Rates: Consultant will provide services to the JPA at the rate of \$235 per hour. Consultant will invoice the JPA on a monthly basis for services provided in the prior month.

DISCUSSION ITEMS

ITEM 3.1: FISCAL YEAR 2024 BUDGET OVERVIEW AND REVIEW OF AMENDMENT NO. 5 TO MULTI-PARTY COST SHARE AGREEMENT

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

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. Staff continues to work with Contra Costa Water District in developing the Authority's 2023-24 fiscal year budget. Staff recently presented to the Finance Committee at the March 23, 2023 meeting. Additional adjustments and refinements will be made as more information about upcoming funding needs is evaluated. The following presentation will provide an overview of the budget at this stage of development, along with reviewing the preparation of Amendment No. 5 to the Multi-Party Cost Share Agreement.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

Eventual financial impact will depend on final budget figures.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Slide deck concerning Fiscal Year 2023-24 Budget

**LOS
VAQUEROS**
RESERVOIR
EXPANSION
PROJECT

**LVR Joint Powers Authority
Draft Fiscal Year 2024 Budget**

April 12, 2023



Agenda

- Updates to proposed FY24 Budget since initial draft presented in December 2022
- Next Steps



FY24 Budget Updates



Proposed Format of FY24 Budget Book

- Agency Background
- Sources of Funds
- Use of Funds
- Appendix for FY24 construction costs
 - Included for illustrative purposes in the event the project advances to construction during FY24 and budget adjustment needed





Feedback from Finance Committee

- Finance Committee Reviewed Draft FY24 Budget in December & March
- December Draft FY 24 Budget
 - Assumed WIFIA loan available during FY24 to help fund local cost share
 - Assumed construction could start in FY24 & PP1 costs were included as an appendix but not in the FY24 Budget
- Finance Committee Feedback
 - Schedule assumptions might be too optimistic - delays could result in increased costs
 - Need to evaluate impacts of potential delay in WIFIA loan closing

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LVR JPA Board Meeting – April 12, 2023



Feedback from Finance Committee

- March Draft FY24 Budget
 - Assumed no WIFIA loan available during FY24 to fund local cost share
 - Assumed all local cost share would come thru Multi-party Agreement (MPA) Amendment No. 5
- Finance Committee Feedback
 - Members might need additional time to execute MPA Amendment No. 5
 - Amendment would be effective upon execution by JPA and CCWD
 - Delay in execution by other JPA Members could impact cash flow
 - More details requested on JPA Services



Key Assumptions





Key Assumptions

- Assume Service Agreements are executed by Spring 2024
- All local funds come thru Multi-Party Agreement
- No WIFIA loan drawdown available in FY24
- No construction activities funded in FY24
 - FY24 Budget adjustment required prior to construction
- Carryover funding from FY23 available exceeds amount of funding required to comply with the JPA Reserve Policy

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LVR JPA Board Meeting – April 12, 2023



Key Assumptions (cont.)

- State Early Funding will be fully expended by early FY24
- Federal Planning Assistance Agreement will be fully expended in FY24
- FY23 Budget carryover funds ~ \$6.3M
 - Greater CWC and Reclamation funding available in FY23 than previously estimated
 - Lower JPA and CCWD expenditures than estimated
 - Unused FY23 contingency funds



Key Assumptions (cont.)

- Prior to JPA receiving or distributing funds, key contracts need to be in place:
 - Program Management – Interview 4/11
 - Accounting (CPA) Services – 4/28 proposals due
 - Insurance – today's Board Meeting
 - Banking services – TBD (prior to July 1)





Source of Funds: State

Early Funding Agreement (thru December 2023)

- Between CCWD and CWC
- Estimated amount available in FY24 ~ \$2M

Final Funding Agreement (TBD)

- Between JPA and CWC
- Total amount ~\$454M over the whole construction project
- 50% reimbursement of eligible costs
- Contract will take time to execute after Final Award Hearing
- Will revise pending Final Award Hearing





Source of Funds: Federal

Reclamation Planning Assistance Agreement (thru December 2023)

- Between CCWD and Reclamation
- 24% reimbursement
- Estimated available in FY24 ~\$2.1M
- Possible to amend to add up to \$3M more
 - Amendment not assumed in FY24 Budget

Reclamation Construction Assistance Agreement (TBD)

- Between JPA and Reclamation
- \$164M appropriated to date





Sources of Funds: Local

Multi-Party Agreement Amendment No. 5 (July 2023 – June 2024)

- Budget & Scope of Work match JPA FY24 budget
- Total ~ \$8.673M
- Even split 7 ways, per Member agency ~ \$1.239M

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LVR JPA Board Meeting – April 12, 2023



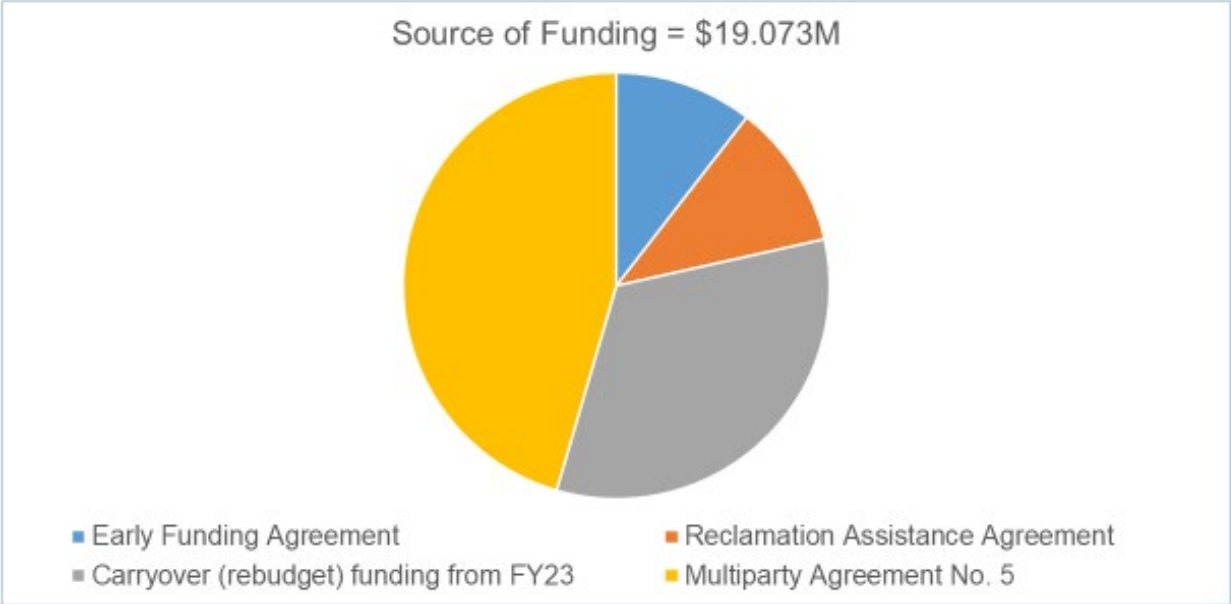


FY24 Sources of Funds

Source	\$ (1,000)	Notes
Early Funding Agreement	\$2,000	Early Funding Agreement will be fully expended in FY24.
Reclamation Assistance Agreement	\$2,100	Reclamation Assistance Agreement will be fully expended in FY24.
Carryover (rebudget) funding from FY23	\$6,300	Amount of funding previously collected for work that will be performed in FY24.
Multi-party Agreement Amendment No. 5	\$8,673	Amount of funding needed to fund all anticipated FY 24 expenses at the JPA that is not covered by previously collected funds, state, and federal funds.
Total	\$19,073	



Source of Funds Summary FY24





Use of Funds

- JPA Services
- JPA Reserves
- CCWD Services
- CCWD Labor
- Contingency
- Total





FY24 Use of Funds

	FY24	Notes
JPA Services		
Management		
Administration		
Financial		
External Affairs/Agency Negotiation Support		
Legal		
<i>Subtotal</i>		
JPA Reserves		
Capital Project Fund		
CCWD Services		
Management		
Environmental Planning		
Design		
Construction		
Legal		
Fees		
<i>Subtotal</i>		
CCWD Labor		
Management		
Environmental Planning	\$1,725	Planning, watershed & lands, water resources, strategic initiatives
Design	\$2,508	Engineering, operations & maintenance review
Construction	\$0	
<i>Subtotal</i>	\$4,436	
Contingency	\$1,332	
Total	\$19,073	



Use of Funds

- JPA Services
- JPA Reserves
- CCWD Services
- CCWD Labor
- Contingency
- Total





FY24 Use of Funds: JPA Services

JPA Services	\$ (1,000)	Notes
Management	\$1,456	Executive Director and Program Management
Administration	\$235	Expenditures for Board Meetings and Miscellaneous Fees
Financial	\$590	Financial Advisor, CPA, Auditor
External Affairs/Agency Negotiation Support	\$810	Public and government relations and support for negotiations with external agencies
Legal	\$365	General Counsel, bond counsel, and other legal support
Subtotal	\$3,456	

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LVR JPA Board Meeting – April 12, 2023





FY24 Use of Funds: JPA Reserves

- Capital Project Fund Reserve
 - 17% of annual capital budget per JPA Agreement
- In December, draft budget included collection of Capital Project Reserve ~\$3M
- Carryover funding exceeds funds needed to comply with JPA Reserve Policy
- No additional funding needed for Capital Project Fund Reserve





FY24 Use of Funds: CCWD Services

CCWD Services	\$ (1,000)	Notes
Management	\$75	Communications support
Environmental Planning	\$1,446	Permitting consultants, modeling consultant
Design	\$6,264	Consultants for Dam design, Transfer-Bethany Pipeline, Pumping Plant No.1, Program Management
Construction	\$0	No construction expenditures assumed
Legal	\$1,090	General Counsel, specialty lands counsel, CEQA counsel, water rights counsel
Fees	\$974	Permit application fees, SWCRB change petition fees
Subtotal	\$9,849	





FY24 Use of Funds: CCWD Labor

CCWD Labor	\$ (1,000)	Notes
Management	\$203	Project management and public affairs
Environmental Planning	\$1,725	Planning, watershed & lands, water resources, strategic initiatives
Design	\$2,508	Engineering, operations & maintenance review
Construction	\$0	No construction assumed in FY24
Subtotal	\$4,436	





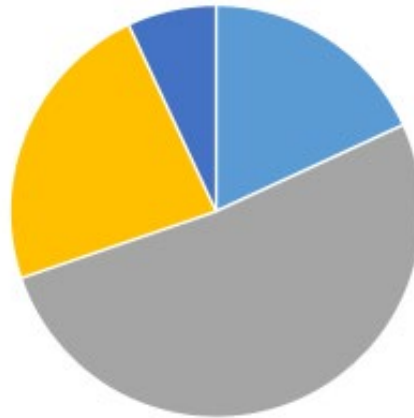
FY24 Use of Funds: Contingency

- Assume 10% of JPA Services + CCWD Services
- JPA Services + CCWD Services ~\$ 13.3M
- Contingency ~ \$1.3M



FY24 Use of Funds Summary

Use of Funds = \$19.073M



■ JPA Services ■ JPA Reserves ■ CCWD Services ■ CCWD Labor ■ Contingency



Anticipated Future Updates

- FY24 Budget will continue to be reviewed and updated to reflect best available information
- Specific areas currently undergoing review:
 - WIFIA loan costs including WIFIA loan application fees and loan processing costs, Financial Advisory services, General Counsel and bond counsel
 - Program Management services
 - SWRCB water rights fees
 - Updated projections for carryover of funds from FY23





Next Steps

JPA FY24 Budget

- Finance Committee review updates – April 27th
- JPA Board review FY24 Budget – May 19th
- JPA Board consider adoption of FY24 Budget – June 14th



Next Steps (cont.)

MPA Amendment No. 5

- First draft MPA No. 5 to Members – April 10th
- Member comments MPA No. 5 due – April 24th
- Second draft MPA Amendment No. 5 – April 28th
- CCWD authorize execution MPA No. 5 – June TBD
- JPA Board consider authorizing execution of MPA Amendment No. 5 – June 14th
- Member agencies authorize execution – June – August
- JPA submits first invoice to Members - September



ITEM 3.2: FEDERAL RELATIONS REPORT

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

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 especially the U.S. Bureau of Reclamation. Natural Resource Results' 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 will provide a report to the Board concerning that firms' efforts and the progress being made to date.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Written report concerning Federal Relations

To: Board of Directors, *Los Vaqueros Reservoir Joint Powers Authority*
From: Natural Resource Results and Water and Power Law Group
RE: Board Report – April 2023

Over the past three months, our team at Natural Resource Results and the Water and Power Law Group have been busy engaging with Joint Powers Authority (JPA) and Contra Costa Water District (CCWD) staff on the proposed project and the related challenges with moving the Bureau of Reclamation to issue a Record of Decision (ROD). Our work to date falls into three categories: Coordination with JPA and CCWD Staff, Congressional and Administration Outreach, and Strategic Engagement. More details are included below on those activities and efforts.

Coordination with JPA and CCWD Staff

We have had regular weekly meetings with JPA and CCWD staff since our contract began on January 15, 2023, and several of those meetings were over two hours in length. These initial meetings were essential for educating and building our knowledge of the project, the players and the role of the JPA. This is a complicated project, with varying permits needed, uncertain timelines and different entities who have a stake in the outcome. We have worked closely with JPA staff and CCWD staff to grasp the full complexity of the project, particularly as it pertains to the various permits that are required to meet project milestones with the California Water Commission. Our team is very familiar with California water policy and law and is engaged in discussions at various levels within the federal and state administrations regarding the interplay among the Voluntary Agreements (VAs) and the Re-initiation of Consultation on the Long-Term Operations for the CVP and SWP (LTO) and how that will affect Reclamation's and the Services' ability to undertake necessary ESA analyses on the Los Vaqueros Expansion (LVE). While the overall section 7 process for LTO and the VAs is still uncertain, our team is well situated to engage with decisionmakers to ensure that final environmental compliance for LVE is undertaken as soon as possible and is done with the least amount of risk for the overall project development and JPA members.

Congressional and Administration Outreach

Our outreach to federal officials includes conversations with the Assistant Secretary for Water and Science, Tanya Trujillo; Commissioner of the Bureau of Reclamation, Camille Touton and her staff; and Senator Feinstein's staff, Senator Padilla's staff, Congressman Desaulnier's staff, and Reclamation and Fish and Wildlife Service (FWS) at the regional levels. We have –

- Coordinated closely with Assistant Secretary Trujillo and her team around her trip to see the project in March, ensuring JPA representation during the trip. We then followed up with Bureau of Reclamation staff to understand what was discussed and next steps.
- Worked with the Commissioner and her team to make clear that the JPA has federal representation. We have communicated ongoing issues and concerns coming from that office to the JPA staff.
- Had several meetings with CCWD lobbyists and staff, including an in-person meeting in Washington, D.C. with the General Manager. We continue to coordinate with CCWD and align strategies.
- Met with Grasslands staff in Washington, D.C. to discuss their perspective on ongoing challenges.
- Our team is having ongoing and constant communication with Regional Office staff. We have conducted multiple conversations with Principal Deputy Regional Director Richard Welsh to better understand how Reclamation views the project and its sense of the challenges in front of us. Similarly, we have also been in discussion with both Paul Souza and Kaylee Allen of the Fish and Wildlife Service to better understand how they see the overall process regarding development of biological opinions and how storage projects such as LVE are fit into the overall plan of approach.

Strategic Engagement

Over the past few months, it has become clear to us that we need to have a common strategy among all JPA partners so that we are speaking with one voice and presenting a unified message to federal officials both in Washington, D.C. and in the Region. To get us to that point, we have held several meetings with relevant officials to better understand where there may be confusion and/or misunderstanding around the project relative to overall decision-making and how to move the project forward. Our sense from these discussions is that there continues to be much confusion within the Department at both DC and Regional levels about the relative roles of the JPA and the District. This confusion is further exacerbated by Reclamation not having a clear policy goal at this time of whether they are seeking additional project benefits, including access to certain CCWD facilities, beyond what was analyzed in the feasibility study directed by former Commissioner Burman.

Working with JPA and CCWD staff, we have been able to secure a meeting with Reclamation's Regional leadership on April 14th. In this meeting we will look to begin the process of identifying whether Reclamation is seeking additional and/or different levels of investment in LVE as well as potential access to specific CCWD assets. Once we can identify with specificity what Reclamation is seeking, decisions regarding how that will affect the overall project can be made. If Reclamation is seeking additional benefits, it is our sense there are two separate levels of decision-making that will potentially be raised by the nature of Reclamation's request.

As a threshold matter, if Reclamation is seeking access to CCWD facilities as part of its overall investment in LVE, CCWD will have to make its own determination of whether such a request is acceptable. Such a decision is completely within the purview of CCWD. Once that decision is made, regardless of outcome, the JPA will then have to make certain decisions regarding how Reclamation's involvement will affect not only environmental compliance and overall schedule, but also potential determinations regarding overall project design, operations, and investment by JPA partners. Having a final decision by Reclamation over its level of involvement and a final determination by CCWD whether there will be any potential access to district facilities by Reclamation as part of its investment will allow our team, working with JPA leadership to develop an overall strategic approach for completion of LVE.

ITEM 4.2: EXECUTIVE DIRECTOR’S REPORT

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

SUMMARY:

The following highlights a few key activities which occurred last month. Also included is a list of the Executive Director’s contracts executed during March.

Bald and Golden Eagle “Take” Permit Issued - In September 2021, CCWD applied for an incidental take permit under the Bald and Golden Eagle Protection Act for potential disturbance of breeding golden eagle pairs during construction of the Phase 2 Los Vaqueros Reservoir Expansion Project and golden eagle territory loss due to habitat loss from construction and inundation of the expanded Los Vaqueros Reservoir. On March 27, 2023 the U.S. Fish and Wildlife Service issued the permit. This is one of the critical permits that are anticipated in the coming months and needed prior to the Final Award Hearing with the California Water Commission.

San Luis Delta-Mendota Water Authority Board Meeting – On March 9, the Executive Director provided an update on LVE to the SLDMWA Board and staff at their office in Los Banos. This was the first opportunity for the Executive Director to attend the SLDMWA Board meeting in person. Questions and comments included general support for the project, interest in the JPA, and project schedule.

East Bay Leadership Council Taskforce Presentation – The East Bay Leadership Council extended an invitation to the Executive Director to provide an update on LVE at their Water, Energy, and Environment Taskforce meeting held on March 21, 2023 in Walnut Creek. The event was well attended by local leaders, including Chair Ramirez Holmes and Alternate Director Martinez, with a strong showing from past and present CCWD Board members. Jerry Brown with Sites Reservoir Project also presented an update.

Proposition 1 WSIP Project Coalition Letter – The JPA signed onto a Water Storage Investment Program (WSIP) Project coalition letter to Governor Newsom and Legislative Leadership requesting an inflation adjustment to the state contribution for public benefits by allocating the proposed \$500 million to supplement the Proposition 1 Storage Program in the FY 2023/24 budget. It is currently proposed by the Governor to be in the FY 2025/26 budget. See attached letter.

JPA State Legislative Day –The JPA conducted its first State Legislative Day in Sacramento on Wednesday, March 22, 2023. The day’s itinerary included 28 meetings with Senators and Assembly members and legislative staff representing the JPA Service Area and with membership on key committees. The JPA was represented by Chair Ramirez Holmes, Vice Chair Anthea Hansen, Treasurer Paul Sethy, Director Rebecca Eisenberg, Alternate Director Antonio Martinez, Alternate Director Ric Ortega and JPA member agency staff. The Project and the JPA were well received. Each office was provided a folder including factsheets on the JPA and the

Project ([Documents \(losvaquerosjpa.com\)](https://www.losvaquerosjpa.com)) as well as a copy of the WSIP Project coalition letter to the Legislature requesting acceleration of the Governor's inflation adjustment for the WSIP projects. The JPA would like to thank Mark Smith and Ann Anderson with Smith Policy Group for providing essential assistance with organizing the day's events, scheduling the meetings, and coordinating with the Member Agency lobbyists. Thank you notes have been sent to each office and we will continue to manage any resulting inquiries.

JPA General Managers Meeting – The JPA hosted its third meeting of the year with Member Agency General Managers. These meetings are held monthly to maintain consistent coordination among JPA Member Agencies with the goal of meeting key project milestones. The March meeting focused on the progress of the Service Agreements and the necessary coordination among the JPA and member agencies to meet the Project's aggressive timeline. A lot of work has been done by the Service Agreement Workgroup and the related subgroups made up of dedicated Member Agency staff. General Managers are to provide feedback to the JPA in the coming weeks that will inform the master schedule. Attached, please find slides showing the progress of the Service Agreement Workgroups and subgroups, including feedback from the Conditions Precedent Subgroup. The next meeting of the General Managers will be at ACWA's Spring Conference in Monterey.

Accounting Request for Proposals Released – The JPA's Request for Proposals (RFP) for Accounting Services was released on April 4, 2023. The RFP was posted to the website under Procurement Opportunities: [Procurement Opportunities \(losvaquerosjpa.com\)](https://www.losvaquerosjpa.com) Proposals are due via email to the Executive Director by 5:00pm on April 28, 2023. Outreach is underway with numerous Certified Public Accounting firms. The review and selection team is comprised of JPA staff and key Member Agency staff engaged in the JPA Finance Workgroup. Interviews will take place in mid- to late-May with a contract award anticipated at the June 14 JPA Board meeting.

EXHIBITS/ATTACHMENTS:

1. WSIP Project Coalition Letter to the Legislature on Inflation Adjustment
2. Service Agreement Progress Slides
3. CCWD Early Funding Quarterly Report to USBR, December 2022
4. CCWD Early Funding Quarterly Report to CWC, December 2022



March 15, 2023

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 900
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President Pro Tempore
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Anthony Rendon
Assembly Speaker
1012 O Street, Suite 8330
Sacramento CA 95814

The Honorable Nancy Skinner
Chair, Senate Budget Committee
1020 N Street, Room 502
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento, CA 95814

The Honorable Roger Niello
Vice Chair, Senate Budget Committee
1020 N Street, Room 234
Sacramento, CA 95814

The Honorable Vince Fong
Vice Chair, Assembly Budget Committee
1020 N Street, Room 400
Sacramento, CA 95814

The Honorable Josh Becker
Chair, Senate Budget Sub Committee 2
1020 N Street, Room 502
Sacramento, CA 95814

The Honorable Steve Bennett
Chair, Assembly Budget Sub Comm. 3
1021 O Street, Suite 8230
Sacramento, CA 95814

RE: SUPPORT for \$500 million for Proposition 1 Water Storage Investment Program for FY 2023-24

Dear Governor Newsom, et. al.,

The applicants for the seven Proposition 1 Water Storage Investment Program (WSIP) Projects represented by the undersigned entities are in the process of developing critical water infrastructure to deliver public and non-public water benefits across the state.

We are grateful for the Governor's recognition of the necessity to invest an additional \$500 million in the budget for the existing projects within the Proposition 1 WSIP Program. This investment will address the significant effects inflation is having on project costs and will help achieve the public benefits funded in each of the WSIP projects.

The Governor's FY 22-23 May Revise proposed "\$500 million General Fund in 2025-26, to serve as a multi-year commitment to promote strategic water storage projects in the state that benefit water supply reliability and the environment. California's variable precipitation makes above and below ground water storage crucial, and aquifers and off-stream reservoirs are among the most feasible places to store additional water as a resilience measure into the future. These resources will build upon the \$2.7 billion provided in Proposition 1 under the Water Storage Investment Program to accelerate critical projects as part of a comprehensive and coordinated approach to water resiliency as outlined in the California Water Resilience Portfolio."

All seven projects strongly support the Governor's proposal of \$500 million to augment the Proposition 1 Water Storage Investment Program however we urge inclusion and appropriation in the FY2023-24 State Budget.

As you know, it is imperative for the state to be able to capture and store water during significant precipitation events like we have experienced this year. The WSIP Projects are well on their way to helping insulate California communities from the intense cycles our state is facing due to the effects of climate change. To ensure these projects cross the finish line and deliver on their intended promise, the proposed funding is critical to insulate the WSIP projects from inflation and other unanticipated cost increases.

The Governor's Water Supply Strategy calls for 3.7 MAF of storage by 2030. The WSIP projects are crucial for hitting that important goal in the Strategy.

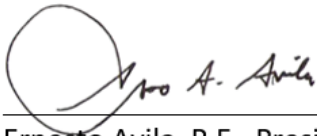
These projects are on track to reach completion in an expeditious manner. Despite escalating costs, all of the WSIP projects are still on track to help meet the state's water storage goals and help make California more water resilient.

Proposition 1 dictates the application of "beneficiary pays" across all project participants. To ensure the level of public benefits reflected in the maximum conditional eligibility determination of the California Water Commission are achieved, the State's investment needs to keep pace with inflation and be secured prior to starting construction. As the State's partners in these Proposition 1 projects, we assure you that we are taking steps to secure the necessary funding for the inflationary effects on our non-State cost share.

It is imperative that the State follow suit and adjust the state contribution for public benefits to track with inflation by allocating the proposed \$500 million to supplement the Proposition 1 Storage Program in the FY 2023/24 budget.

Thank you for your leadership and for considering our views.

Sincerely,



Ernesto Avila, P.E., President
Contra Costa Water District



Shivaji Deshmukh, P.E., General Manager
Inland Empire Utilities Agency



Dan Bartel, General Manager
Groundwater Banking Joint Powers Authority
Kern Fan Groundwater Storage Project



Christoph Dobson, General Manager
Sacramento Regional County Sanitation District



Jerry Brown, Executive Director
Sites Project Authority



Taryn Ravazzini, Executive Director
Los Vaqueros Reservoir Joint Powers Authority



Christopher Hakes, Acting Assistant Chief
Executive Officer, Valley Water

Cc: Brian Dahle, Vice Chair, Senate Budget Sub Committee 2
Assemblymember Jim Patterson, Vice Chair, Assembly Budget Sub Committee 3
Joanne Roy, Senate Budget Sub Committee 2 Consultant
Shy Forbes, Assembly Budget Sub Committee 3 Consultant
Budget Committee Members
CWC Commissioners
Joe Yun, Executive Officer, California Water Commission



Proposed Sub-Group Meeting Timeline (Jan 30)

#	Deal Point (# of Workshops)	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
1	Storage (Subscriptions / Dedicated vs. Pooled) (3)	1	2	3					
2	Conveyance (LT Use % / Usage Priorities) (3)	1	2	3					
3	Remarketing of Excess Capacity								
4	Capital Cost True-Up (2)				1	2			
5	Op. Commitments related to Public Funds (2)				1	2			
6	Allocation of Public Benefits Funding to Facilities (2)				1	2			
7	Refuge Pre-Funded O&M (2)				1	2			
8	CCWD Priority Use (2)			1	2				
9	EBMUD Priority Use (2)				1	2			
10	Annual Operating Procedures								
11	CPs to Service Agmt Execution (2)	1		2					

= Workshop

= Drafting by Legal WG



Workflow Update

#	Deal Point (# of Workshops)	Feb	Mar	Apr	May	Jun	Jul
1	Storage (Subscriptions / Dedicated vs. Pooled) (3)	☑	☑	3			
2	Conveyance (LT Use % / Usage Priorities) (3)		☑	2	3		
3	Remarketing of Excess Capacity						
4	Capital Cost True-Up (2)				1	2	
5	Public Benefits – Operations (2)				1	2	
6	Public Benefits - Funding (2)						
7	Refuge Pre-Funded O&M (2)				1	2	
8	CCWD Priority Use (2)				1	2	
9	EBMUD Priority Use (2)						
10	Annual Operating Procedures			1	2		
11	CPs to Service Agmt Execution (2)	☑		2	1	2	

Sub-Group Feedback – Conditions Precedent



Project Agreement	Key Terms to be Established:	
	Pre- Service Agreement Execution	Post- Service Agreement Execution
CCWD Facilities Usage Agreement	<ul style="list-style-type: none"> Nature and extent of rights to be provided to the JPA Priorities of CCWD and the JPA Facilities usage fee structure and amounts 	
CCWD Design & Construction Agreement	<ul style="list-style-type: none"> Roles and responsibilities of CCWD and the JPA Compensation or compensation formulas for CCWD services Procedures for reimbursement of third-party expenditures including markups, if any 	<ul style="list-style-type: none"> Facility-specific terms such as: <ul style="list-style-type: none"> Contract price, payment terms, warranties, performance guarantees, acceptance testing procedures, and other terms to be established through bidding and negotiations with contractors Specific provisions for construction management
CCWD O&M Agreement	<ul style="list-style-type: none"> Roles and responsibilities of CCWD and the JPA Compensation or compensation formulas for CCWD Services Procedures for reimbursement of third-party expenditures including markups, if any Renewal and Replacement provisions 	<ul style="list-style-type: none"> Facility-specific terms such as: <ul style="list-style-type: none"> Labor and materials requirements Annual O&M budgets



Potential closing sequence:

Before Service Agreement

- CCWD Project Agreements
 - Facilities Usage Agreement
 - Design and Construction Agreement
 - O&M Agreement
- Contracts for Administration of Public Benefits

Executing Parties

JPA, CCWD

JPA, State Agencies

Service Agreement Execution

JPA, Members

After Service Agreement

- State and Federal Funding Agreements
- WIFIA Loan Agreement
- Interim Funding Agreement (Bridge Loan Facility)

JPA, Third Parties

Still to be considered

- EBMUD Project Agreements

JPA, EBMUD

Performance Report No. 3

Assistance Agreement No. R22AC00137

Phase 2 Los Vaqueros Reservoir Expansion Project

Reporting Period:

October 1, 2022 to December 31, 2022

Agreement Term:

January 1, 2021 to December 29, 2023

Modifications:

01 – May 23, 2022





I. Project Description

The Phase 2 Los Vaqueros Reservoir Expansion Project (Phase 2 Expansion or Project) is a ‘State-led storage project’ as defined in Section 4007(c) of the 2016 Water Infrastructure Improvements for the Nation Act (WIIN Act) and is a regional water storage and conveyance project, led by the Contra Costa Water District (CCWD or District), that will improve Sacramento-San Joaquin Delta (Delta) ecosystem conditions and reduce conflict among beneficial uses of Delta water supplies.

CCWD completed construction of the Los Vaqueros Reservoir, an off-stream water storage facility located in the coastal foothills west of the Delta, in 1997 with an original storage capacity of 100 thousand-acre-feet (TAF). Water stored in the Los Vaqueros Reservoir is diverted from the Delta when water quality is favorable; the District utilizes this supply for later release and blending when Delta water quality is degraded. The Los Vaqueros Reservoir also provides important emergency water supply storage, recreation, and flood management.

CCWD completed a Phase 1 Expansion in 2012 to increase the reservoir volume to 160 TAF to address seasonal water quality degradation and drought needs. The Phase 2 Expansion Project would enlarge the existing reservoir from 160 TAF to 275 TAF and upgrade existing conveyance facilities, construct new conveyance facilities, and re-operate existing facilities to achieve the intended state, federal, and local benefits and objectives. This Assistance Agreement does not include physical construction of the facilities.

The Phase 2 Expansion Project received a conditional award of \$477 million from the California Water Commission to provide environmental, emergency response, and recreational benefits. The federal benefits of the Phase 2 Expansion Project include increased water supply for the fourteen south-of-Delta wildlife refuges in the San Joaquin Valley identified in the Central Valley Project Improvement Act (CVPIA) and Central Valley Project (CVP) operational flexibility. The local benefits of the Phase 2 Expansion Project include access to new water supplies, improved water supply reliability, emergency water supply, and Bay Area water quality.

The Project involves coordination, cooperation, and work efforts by the U.S. Department of the Interior, Bureau of Reclamation, California-Great Basin Region (Reclamation) and Local Agency Partners (Partners). Partners are urban and agricultural water agencies located in the Bay Area and San Joaquin Valley that are participating in the Project, and the Grassland Water District, a local water district that manages south-of-Delta wildlife refuges in the San Joaquin Valley.

This progress report describes the work efforts that were completed during the reporting period.

II. Project Progress

Task 1: Project Management

This task includes project management activities related to managing staff, invoicing, budgeting, scheduling, procuring consultants and technical services, reviewing submittals and documents, holding meetings and conference calls, legal services, and coordinating and reporting project activities. This task includes activities required for Assistance Agreement administration, including preparation of progress reports and invoices, and coordination with Reclamation staff as needed to respond to questions, data requests, or other inquiries. This task also includes coordination activities and general communication with stakeholders such as regulatory agencies, Local Agency Partners, and the public.

Work Accomplished during Reporting Period

CCWD performed project management activities including managing consultants, invoicing, budgeting, scheduling, and managing staff performing project work. CCWD participated in meetings and conference calls; reviewed project documents; and coordinated with state, federal, and local agency efforts. CCWD staff presented Project updates to stakeholder groups, modified the Project website as required to incorporate Project updates, and performed public relations activities in support of Project administration. CCWD staff tracked project finances, prepared invoicing summaries, and prepared performance reports for each month.

Legal services were used to support and develop governance and partnership agreements, evaluate water rights options and prepare water rights petitions, support and review environmental documentation and permitting activities, and review land acquisition opportunities and land rights constraints.

Accomplishments vs Objectives during Report Period

- ✓ Continue project management activities.
 - This objective was completed.
- ✓ Prepare quarterly performance report and invoice claim.
 - This objective was completed.

Objectives for Next Reporting Period (1/1/2023 to 3/31/2023)

Continue project management activities. Prepare quarterly performance report and invoice claim.

Deliverables Completed

Table 1 provides a list of deliverables for this task that are outlined in the assistance agreement.

Table 1. Task 1 Deliverables

Deliverable	Status
Quarterly Progress Reports	Submitted quarterly.
Invoices and backup documentation	Submitted with quarterly performance reports.

Task 2: Environmental Planning

CCWD will provide support to Reclamation with any necessary activities to support Reclamation's issuance of the Record of Decision. This task includes providing environmental support to cooperating agencies to document compliance with the National Environmental Policy Act (NEPA), the federal Endangered Species Act (ESA), and the National Historic Preservation Act (NHPA) as it relates to their federal actions. This task includes preparation of permit applications and supporting documents in compliance with federal and state regulations. This task includes environmental surveys (i.e., aquatic resources, wildlife/botanical, etc.), documentation (i.e., NEPA addendum/memo to file) and permitting efforts (i.e., application/ agreement amendments) to support the Project as needed. This task includes evaluation, appraisal, and acquisition of the appropriate land rights for facility installation and environment mitigation, as needed. This task includes coordination with federal, state, and local agencies to file change petitions to existing water rights that may be necessary to achieve the intended benefits.

Work Accomplished during Reporting Period

CCWD performed activities in support of environmental planning efforts for the Project, including meetings, conference calls, and work effort coordination between state, federal, and local agencies. Below is a summary of activities performed on the deliverables for this task.

National Historic Preservation Act Section 106

In November 2022, Reclamation finalized the draft Memorandum of Agreement (MOA) required under Section 106 of the NHPA and sent it to the Tribes. In December 2022, Reclamation provided a copy of the draft MOA to the State Historic Preservation Office (SHPO).

Federal Endangered Species Act Section 7

Biological Assessment for Terrestrial Species - The U.S. Fish and Wildlife Service (USFWS) continued drafting the terrestrial Biological Opinion.

Biological Assessment for Aquatic Species – Reclamation continued to review the administrative Draft Biological Assessment required for Section 7 consultation for aquatic species.

Compensatory Mitigation Plan – California Department of Fish and Wildlife (CDFW) and USFWS have reviewed the updated Compensatory Mitigation Plan required to support the federal and state ESAs. The agencies will approve the plan once environmental permits are issued.

Preliminary Habitat Assessment – Reclamation reviewed the updates made to address CDFW's final review and forwarded the revised document to USFWS.

Permit Applications:

- *Clean Water Act Section 401 Permit application to the Central Valley Regional Water Quality Control Board (CVRWQCB)*
- *Clean Water Act Section 404 Permit application to the U.S. Army Corps of Engineers (USACE)*
- *Bald and Golden Eagle Protection Act application per 50 CFR 22.26 to the USFWS Migratory Bird Program*

- *California ESA Section 783.2 Incidental Take Permit application to CDFW*
- *California Fish and Game Code Section 1600, et seq. al Lake and Streambed Alteration Agreement (LSAA) with CDFW*

CCWD staff continued coordination with USACE staff on the Section 404 permit, USFWS Migratory Bird Program staff on the ‘take permit’ application per the Bald and Golden Eagle Protection Act, and CDFW staff on the Incidental Take Permit and LSAA. In December 2022, CCWD began working on responses to comments from CDFW on the aquatic Incidental Take Permit draft application.

The USFWS Migratory Bird Program continued preparation of an Environmental Assessment to support its permit action and CDFW continued drafting the terrestrial Incidental Take Permit and LSAA. CCWD and USFWS staff participated in coordination meetings as needed and CCWD and CDFW staff participated in bi-weekly coordination meetings.

Clean Water Act Section 402 National Pollutant Discharge Elimination System (NPDES) Wastewater/Dewatering Permit Application to the CVRWQCB

Acquisition of the dewatering permit will be completed by CCWD staff for a project facility prior to construction, if required. Scheduling of these permits are dependent on the construction schedule for each facility and whether dewatering is required.

Clean Water Act Section 402 NPDES Storm Water/General Permit Application to the CVRWQCB for Discharges of Storm Water Associated with Construction Activity

Acquisition of stormwater permits will be completed by the contractor for each facility prior to construction. Scheduling of these permits are dependent on the construction schedule for each facility.

Change petitions on CCWD and CVP water rights

CCWD coordinates with the Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB) to prepare CCWD water rights change petitions and with Reclamation on a CVP water rights change petition.

During the reporting quarter, CCWD continued to coordinate with SWRCB staff to discuss water rights change petitions. Change petitions for CCWD and CVP water rights have been drafted. Weekly water rights meetings are attended by Reclamation, DWR, CCWD, and SWRCB.

Accomplishments vs Objectives during Report Period

- ✓ Develop agreements with state and federal agencies that will document the approach and coordination efforts needed to acquire permits.
 - CCWD continued work with state and federal agencies to develop agreements.
- ✓ Assist Reclamation as needed to support consultation with the USFWS as required under Section 7 of the ESA and SHPO as required under Section 106 of the NHPA.
 - CCWD continued work on this effort.

- ✓ Resubmit the pre-formal draft of the Incidental Take Permit Application to CDFW for aquatic species.
 - This task will be completed later in 2023.
- ✓ Continue coordination with USACE on the Section 404 permit; USFWS Migratory Bird Program on the eagle ‘take’ permit; and CDFW on the terrestrial Incidental Take Permit and LSAA.
 - CCWD continued work on this effort.

Objectives for Next Reporting Period (1/1/2023 to 3/31/2023)

Develop agreements with state and federal agencies that will document the approach and coordination efforts needed to acquire permits. Additional meetings with DWR and the State Water Project Analysis Office are anticipated.

Assist Reclamation as needed to support consultation with the USFWS as required under Section 7 of the ESA and SHPO as required under Section 106 of the NHPA.

Continue coordination with USACE on the Section 404 permit; USFWS Migratory Bird Program on the eagle ‘take’ permit; and CDFW on the terrestrial Incidental Take Permit and LSAA.

Deliverables Completed

Table 2 provides a list of deliverables for this task that are outlined in the assistance agreement.

Table 2. Task 2 Deliverables

Deliverable	Status
2.1) NHPA Section 106 documents to support consultation with the SHPO, i.e., supporting documentation Historic Properties Treatment Plan (HPTP), preconstruction testing plan, MOA, etc.	<ul style="list-style-type: none"> ✓ (a) Historic Properties Treatment Plan and Pre-Construction Testing Plan □ (b) Memorandum of Agreement
2.2) Federal ESA Section 7 documents to support consultation with U.S. Fish and Wildlife Service and National Marine Fisheries Service including preparation of biological assessments, a compensatory mitigation plan and other supporting documents.	<ul style="list-style-type: none"> ✓ (a) Biological Assessment for Terrestrial Species □ (b) Biological Assessment for Aquatic Species □ (c) Compensatory Mitigation Plan □ (d) Preliminary Habitat Assessment
2.3) Clean Water Act Section 404 Permit application to the USACE for impacts to ‘waters of the U.S.’ and supporting documentation such as a mitigation plan for permanent impacts and restoration and revegetation plan for temporary impacts	<ul style="list-style-type: none"> ✓ (a) Mitigation Plan Letter to USACE ✓ (b) Restoration and Revegetation Plan ✓ (c) Section 404 Permit Application
2.4) Clean Water Act Section 401 Permit application to the CVRWQCB for Water Quality Certification and impacts to ‘waters of the State’ and supporting documentation such as a mitigation plan for permanent impacts and restoration and revegetation plan for temporary impacts	<ul style="list-style-type: none"> ✓ (a) Mitigation Plan Letter to CVRWQCB ✓ (b) Restoration and Revegetation Plan (same as above) ✓ (b) Section 401 Permit Application
2.5) Clean Water Act Section 402 NPDES Wastewater/Dewatering Permit Application to the CVRWQCB and supporting documentation	Permit applications to be prepared for facilities requiring dewatering consistent with the project construction schedule,

Deliverable	Status
2.6) Clean Water Act Section 402 NPDES Storm Water/General Permit Application to the CVRWQCB for Discharges of Storm Water Associated with Construction Activity	Permit applications to be prepared for each facility consistent with the project construction schedule.
2.7) California ESA Section 783.2 Incidental Take Permit application to CDFW for impacts to State-listed species and supporting documentation such as compensatory mitigation plan and other supporting documents	<ul style="list-style-type: none"> ✓ (a) Incidental Take Permit Application for Terrestrial Species □ (b) Incidental Take Permit Application for Aquatic Species □ (c) Compensatory Mitigation Plan □ (d) Preliminary Habitat Assessment
2.8) California Fish and Game Code Section 1600, et seq. al LSAA with CDFW for impacts to the bed and bank of CDFW regulated aquatic features	✓ (a) Lake and Streambed Alteration Agreement Permit Package
2.9) Bald and Golden Eagle Protection Act application per 50 CFR 22.26 to the USFWS for an Eagle Take Permit for impacts to eagle territories and nest	✓ (a) Eagle Take Permit Application
2.10) Additional CEQA/NEPA documentation and permit amendments, as required	<ul style="list-style-type: none"> ✓ (a) CEQA Findings and MMRP □ (b) Permit amendments
2.11) Change petition on CCWD water right	□ (a) CCWD water rights change petition
2.12) Change petition on CVP water rights	□ (a) CVP water rights change petition

Task 3: Engineering Feasibility

With consultant services and in coordination with Reclamation, CCWD will complete reports, perform studies and investigations, develop a schedule and construction estimates, and prepare drawings, specifications, and associated documentation needed to progress facility evaluations, conceptual designs, and designs of Phase 2 Expansion Project facilities, and create contract documents pursuant to applicable Reclamation policies. During the term of the assistance agreement, preconstruction activities are anticipated to be performed on the following Phase 2 Expansion Project facility tasks: Los Vaqueros Dam Expansion, Pumping Plant No. 1 Replacement, Transfer-Bethany Pipeline, Operation and Reliability Assessment, Existing Facilities Inspections and Assessments, and Risk Management and Support.

Work Accomplished during Reporting Period

The following provides a summary of the work accomplished under each subtask during the reporting period.

Task 3.1 Los Vaqueros Dam Expansion

CCWD worked on design updates to respond to draft Division of Safety of Dams (DSOD) comments on the 99% design submittal and provided technical input to the environmental and permitting efforts.

Task 3.2 Pumping Plant No. 1 (PP1) Replacement

CCWD completed review of the 60% design submittal and began developing the 90% design submittal; received the draft risk register from CCWD's consulting team and began reviewing the document; received the 60% design cost estimate for the PP1 replacement project; completed testing of the project hydraulic model; and progressed review of vegetation screen technologies.

Task 3.3 Transfer Bethany Pipeline (TBPL)

CCWD submitted the 90% design of the California Aqueduct turn-in facility to DWR. CCWD coordinated with regional transportation agencies, conservancies, and landowners to discuss pipeline alignment options, potential impacts, and mitigation approaches. CCWD also continued to evaluate the appropriate rights-of-way to recommend in a land acquisition plan. CCWD continued to coordinate with CDFW to discuss pipeline alignment options and potential impacts.

Task 3.4 Operation and Reliability Assessment

This task is complete.

Task 3.5 Existing Facilities Inspections and Assessments

CCWD completed the inspection of the Transfer Pipeline and the contractor prepared an inspection report. CCWD continued to evaluate alternative treatment approaches to support dam construction, including identifying additional disinfection and taste-and-odor treatment options. CCWD initiated an evaluation of the reliability of pumping and conveyance capacity in the Contra Costa Canal and Pumping Plant Nos. 2 and 3.

Task 3.6 Risk Management and Support

CCWD continued to perform assessments of key facilities to confirm sizing and configurations and reviewed the proposed facilities and operations needed to supply water to the East Bay Municipal Utility District (EBMUD). CCWD initiated capital project management services to assist in development of project management tools, including cost and schedule controls, risk assessments, and cost and technical reviews.

Accomplishments vs Objectives during Report Period

Task 3.1 Los Vaqueros Dam Expansion

- ✓ Progress the development of the LV Dam design towards 100% design and develop various design technical memoranda for submittal to DSOD.
 - CCWD continued work on this task.
- ✓ Receive and review comments from DSOD on dam design submittals.
 - CCWD continued work on this task.

Task 3.2 Pumping Plant No. 1 Replacement

- ✓ Progress the design for PP1 to the 60% design stage and continue design coordination efforts with WAPA.
 - CCWD continued work on this task.
- ✓ Progress the development of the physical model of the new facility.
 - CCWD completed testing of the project hydraulic model.
- ✓ Progress the development of the project draft risk register.
 - CCWD received the draft risk register from the consulting team and began reviewing the document.

Task 3.3 Transfer-Bethany Pipeline

- ✓ Continue coordination and outreach with stakeholders and resource agencies and perform evaluations on the alignment of the Transfer-Bethany Pipeline.
 - CCWD continued work on this task.
- ✓ Update the turn-in design to the California Aqueduct to respond to DWR comments and continue to develop the 90% turn-in design package.
 - CCWD continued work on this task.

Task 3.4 Operation and Reliability Assessment

This task is complete.

Task 3.5 Existing Facilities Inspections and Assessments

- ✓ Receive draft inspection report of the Transfer Pipeline and evaluate the results in November and December.
 - This task was completed.

Task 3.6 Risk Management and Support

- ✓ Review the proposed facilities and operations to supply water to EBMUD.
 - CCWD continued work on this task.

Objectives for Next Reporting Period (1/1/2023 to 3/31/2023)

The following provides the objectives for each subtask for the next quarterly reporting period.

Task 3.1 Los Vaqueros Dam Expansion

Continue updates to dam design. Submit response to DSOD comments.

Task 3.2 Pumping Plant No. 1 Replacement

Continue progressing the design for PP1 to the 90% design stage. Continue development of the facility hydraulic model and prepare testing technical memorandum. Provide comments on the draft project risk register. Continued development of the vegetation screen design and 60% design cost estimate.

Task 3.3 Transfer-Bethany Pipeline

Continue coordination and outreach with stakeholders and resource agencies and perform evaluations on the alignment of the Transfer-Bethany Pipeline. Update design of the California Aqueduct turn-in in response to DWR comments and continue to develop the turn-in design package. Perform aerial and topographic survey of the pipe alignment.

Task 3.4 Operation and Reliability Assessment

This task is complete.

Task 3.5 Existing Facilities Inspections and Assessments

No work is planned.

Task 3.6 Risk Management and Support

Review the proposed facilities and operations to supply water to EBMUD.

Deliverables Completed

Table 3 provides a list of deliverables for this task that are outlined in the funding agreement.

Table 3. Task 3 Deliverables

Task	Deliverable / Status
3.1 Los Vaqueros Dam Expansion	<ul style="list-style-type: none"> ✓ (a) LV Dam Drawings and Specifications - 50% Design ✓ (b) LV Dam Drawings and Specifications - 90% Design □ (c) Final LV Dam Drawings and Specifications □ (d) Basis of Design Report □ (e) Final Construction Cost Estimate
3.2 Pumping Plant No. 1 Replacement	<ul style="list-style-type: none"> ✓ (a) PP1 Preliminary Design Report ✓ (b) Drawings - 30% Design ✓ (c) Drawings - 60% Design □ (d) Drawings and Specifications - 90% Design □ (e) Final PP1 Design Drawings and Specifications □ (f) Construction Cost Estimate
3.3 Transfer-Bethany Pipeline	<ul style="list-style-type: none"> □ (a) Alignment Analysis TM □ (b) Pipeline Design Criteria TM □ (c) Pipeline Drawings – 30% Design □ (d) Pipeline Drawings – 60% Design □ (e) Pipeline Drawings and Specifications – 90% Design □ (f) Geotechnical Investigation Work Plan □ (g) Final Geotechnical Data Report □ (h) Final Construction Cost Estimate
3.4 Operation and Reliability Assessment	<ul style="list-style-type: none"> ✓ (a) LV Reservoir Expansion Project Initial Risk Assessment and Risk Register
3.5 Existing Facilities Inspections and Assessments	<ul style="list-style-type: none"> □ (a) Transfer Pipeline Inspection Recommendations TM ✓ (b) Inspection Services Procurement Documents ✓ (c) Pipeline Inspection Reports
3.6 Risk Management and Support	<ul style="list-style-type: none"> □ (a) Risk Management Plan □ (b) Implementation Phase Risk Assessment Report □ (c) Project Management Plan and Project Schedule □ (d) Evaluation of CCWD’s Water Supply during Dam Construction

III. Project Costs

No additional project costs are submitted with this progress report. Costs incurred during this reporting period will be submitted at a later date.

Table 4. Summary of Agreement Budget and Invoiced Costs

Budget Category	Total Budget	Total CCWD Share (76%)	Total USBR Share (24%)	Invoiced this Period	Invoiced to Date
Category 1 - Salaries & Wages	3,873,972	2,944,219	929,753	0	42%
Category 2 - Fringe Benefits	2,280,995	1,733,556	547,439	0	42%
Category 3 - Travel	0	0	0	0	-
Category 4 - Equipment	0	0	0	0	-
Category 5 - Material and Supplies	0	0	0	0	-
Category 6 - Contractual/ Construction	19,489,858	14,812,292	4,677,566	0	29%
Category 7 - Environmental/ Regulatory Compliance	0	0	0	0	-
Category 8 - Other	2,098,000	1,594,480	503,520	0	42%
Category 9 - Indirect Costs	2,214,750	1,683,210	531,540	0	42%
Total	29,957,575	22,767,757	7,189,818	0	34%

IV. Significant Developments Affecting Schedule

There are no issues or concerns that may affect the schedule or budget. No changes are proposed with this progress report.

Table 5. Project Schedule

Task / Deliverables	Start Date	End Date	Revised End Date	Note if Completed
1 Project Management	6/1/2021	12/31/2023	-	
2 Environmental Documentation & Permitting	1/1/2021	12/31/2022	7/31/2023	
3 Design & Engineering				
3.1 Los Vaqueros Dam Expansion Design	1/1/2021	10/1/2021	5/31/2023	
3.2 Pumping Plant No. 1 Replacement	1/1/2021	12/31/2022	12/30/2023	
3.3 Transfer-Bethany Pipeline Design	1/1/2021	3/12/2023	6/30/2025	Design tasks will extend beyond term of this agreement.
3.4 Operations and Reliability Assessment	1/1/2021	6/1/2021	6/30/2021	Completed.
3.5 Existing Facilities Inspections and Assessments	6/1/2021	12/1/2022	6/31/2023	
3.6 Risk Management & Support	1/1/2022	6/1/2022	6/30/2023	



BOARD OF DIRECTORS

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Rachel Murphy, P.E.

January 30, 2023

Submitted Electronically to CWC@water.ca.gov

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

**Subject: Submittal of the Water Storage Investment Program Quarterly Report No. 18 for the
 Los Vaqueros Reservoir Expansion Project**

Dear Chair Swanson:

Contra Costa Water District is pleased to submit the Water Storage Investment Program Quarterly Report No. 18 for the Los Vaqueros Reservoir Expansion Project. The report provides an update on project status following the October 1, 2022 to December 31, 2022 quarter.

If you have any questions or require additional information, please contact me at (925) 688-8018 or mpatil@ccwater.com, or Maggie Dutton at (925) 688-8132 or mdutton@ccwater.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Maggie" or "Marg", is written over the word "Sincerely,".

Marguerite Patil
Assistant General Manager

MP/MD:sf

Enclosures

Water Storage Investment Program Quarterly Report

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

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

Project Information

Project Name:

Los Vaqueros Reservoir Expansion Project

Applicant Name:

Contra Costa Water District

Date:

1/30/2023

Reporting Period:

Quarterly Report No. 18 - October 1, 2022 to December 31, 2022

General Update and Key Issues

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

No issues or concerns have been identified during the reporting period that could affect completion of milestones or requirements. CCWD and Local Agency Partners continue to make progress on Environmental Planning and Engineering Feasibility tasks through the WSIP Early Funding Agreement, and on the tasks required to schedule a final award hearing for WSIP funding for the LVE Project.

CCWD and CWC executed Amendment 3 to the Early Funding Agreement on 11/3/2022. The amendment added available early funding to the budget, extended the term of the agreement through 12/31/2023, and updated several deliverables to be consistent with Project progress.

Items Required Prior to Scheduling a Final Award Hearing

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

1. Contracts for non-public cost share:

Status: Local cost share agreements were recently amended amongst project partners and extends through June 2023. Service agreements among JPA Members are being developed to cover local share of project costs and are anticipated to be executed August 2023.

Estimated Completion Date: August 2023

Percent Complete: 67%

2. Contracts for administration of public benefits:

Status: Met with DWR and CDFW to continue discussions. Template agreements for administration of public benefits are in development.

Estimated Completion Date: September 2023

Percent Complete: 45%

3. Completed feasibility studies:

Status: Completed.

Estimated Completion Date: October 2021

Percent Complete: 100%

4. Final environmental documentation:

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

Estimated Completion Date: August 2020

Percent Complete: 100%

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

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

Estimated Completion Date: August 2023

Percent Complete: 68%

Items Required to Execute a Funding Agreement

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

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

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

No changes. At the inception of the program, CCWD submitted two years of financial statements to the CWC along with the WSIP Financial Management Systems Questionnaire. Final project costs, schedule, and scope of work are currently in development. Evidence of bilateral communications was provided in the WSIP application, and further pertinent evidence will be provided as communications between responsible agencies is initiated. CCWD is not a tribe and the project is not expected to impact tribal lands; thus, acquisition of a limited waiver of sovereign immunity is not applicable.

Status Update

Provide a status update for the following, as applicable:

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

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

No changes. Labor compliance program is expected to begin prior to qualifying work (construction) in approximately 2023. CCWD's 2020 Urban Water Management Plan was approved by DWR May 23, 2022. CCWD's service area includes a small amount of agricultural water customers, but CCWD is not required to complete an AWMP based on the requirements described in SB X7-7. CCWD is a participant in the GSP development of the East Contra Costa Subbasin; the GSP was finalized in October 2021 and all implementing GSAs have adopted the GSP. The GSP was submitted to DWR prior to the January 31, 2022 deadline and DWR review of the GSP is anticipated to be complete mid-2023.

Monthly List of JPA Contracts

March 2023

<u>Contracts</u>	<u>Amount</u>	<u>Purpose</u>
Maze & Associates	\$7,800	2021-22 Fiscal Year Audit and filing of Special District Financial Transactions Report
Regional Government Services	Not to exceed \$25,000	Board meeting clerk services
Total March 2023	\$32,800	

ITEM 4.4: BOARD POLICY AND ACTION CALENDAR

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Staff is working closely with Member Agency General Managers to develop a master calendar. That calendar remains open to comments and suggestions from the General Managers and the usual 6-month calendar will be subject to upcoming refinements in the later months based on those comments.

In order to provide the Board with a preview of upcoming items, we have included the expected items to be addressed by the Board and committees over the next three months. We anticipate having the revised 6-month calendar back in place for the May Board meeting.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

3-Month Calendar and Outline of Board Policies and Actions

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

3-Month Calendar	
Board Activities	Committee Activities
<i>April 2023</i>	
Liability and Errors and Omissions Insurance [Action] FY 24 Budget [Discussion] Multi-Party Agreement Amendment 5 [Discussion]	FY 24 Budget [Finance Committee] Multi-Party Agreement Amendment 5 [Finance Committee] Draft CCWD Design and Construction Agreement Principles [Ad Hoc Committee] Federal Relations Contracting Approach [Outreach & Communications]
<i>May 2023</i>	
Program Management Agreement [Action] FY 24 Budget [Discussion] Service Agreement Approach [Discussion]	FY 24 Budget [Finance Committee] Multi-Party Agreement Amendment 5 [Finance Committee] Bank Services [Finance Committee] Water Rights Change Petition [O&E Committee]
<i>June 2023</i>	
DWR-JPA MOU [Action] FY 24 Budget [Action] Accounting Services Agreement [Action] Bank Services [Action] CCWD Design and Construction Principles [Discussion] Contract for Administration of Public Benefits [Discussion]	WIFIA Application [Finance Committee] Audit Policy [Finance Committee] Program Schedule Update [O&E Committee] CCWD Design and Construction Agreement [Ad Hoc and/or O&E Committee]

ITEM 4.5: COMMITTEE MEETING SUMMARIES

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

None

DISCUSSION:

The Operations and Engineering Committee and Finance Committee meeting summaries from their respective February meetings follow.



SUMMARY OF REGULAR MEETING OF OPERATIONS AND ENGINEERING COMMITTEE

March 16, 2023 – 10:00 a.m.

Chair Jose Gutierrez and Committee Members Jonathan Wunderlich, Antonio Martinez and Steve Ritchie participated telephonically. Staff and nine others also participated. The meeting was called to order at 10:00 a.m.

1.1 February 16, 2023 Operations and Engineering Committee Meeting Summary.

The summary from the February 16, 2023 Operations and Engineering Committee meeting was presented. The draft summary was accepted with no revisions and will be included in the next Board meeting packet.

1.2 Review of Transfer Pipeline Inspection Results.

Taryn Ravazzini, Executive Director, introduced Bryan Perkins, CCWD Senior Engineer, who reviewed the results from the recent inspection of the Transfer Pipeline (TPL). The existing TPL is used to fill and draw water from the Los Vaqueros Reservoir (Reservoir). The TPL will continue to be relied upon following construction of the expanded Reservoir, and it will be operated under higher pressure with the increased Reservoir water level. CCWD conducted an inspection of the TPL to determine whether the TPL has sufficient pressure capacity to reliably operate under the future higher-pressure condition and to verify its current condition. Mr. Perkins reported the inspection report concluded the TPL is in good condition, with no major deficiencies or signs of corrosion and no major repairs needed.

Committee Member Steve Ritchie asked whether the high pressure expected from the Reservoir expansion were considered when the pipeline was first designed and constructed. Chris Hentz, CCWD Engineering Manager for the Los Vaqueros Reservoir Expansion Project, advised the TPL was not specifically designed for that increased pressure, but was designed very conservatively with excess strength to meet and exceed all AWWA standards. He further stated the TPL's steel has been confirmed through testing to meet those AWWA requirements for safety and surge protection.

Committee member Antonio Martinez asked how future construction of the Project would affect the life of the TPL. Mr. Hentz advised that increased cathodic protection has been recommended to extend the TPL's useful life. Chair Jose Gutierrez inquired as to any costs that were assumed for rehabilitation of the TPL that were included in the budget that could now be

removed. Mr. Hentz stated that such rehabilitation costs were not included in the budget for the inspection report project, but that any additional costs for minor improvements are well within the contingency budget for the inspection project.

Executive Director Ravazzini thanked CCWD staff for the presentation and their continuing work on the Project. She also thanked members of the committee for their questions. She asked CCWD staff to elaborate on the coordination with East Bay MUD regarding supplying water to CCWD while the TPL was out of service. Mr. Hentz advised that coordination occurred under the existing CCWD-EBMUD intertie agreement and all went very well. Marguerite Patil added the inspection report project came in on schedule and under budget.

FUTURE AGENDA ITEMS:

None.

Executive Director Ravazzini advised she will work with the Committee to determine whether there are any matters that are time sensitive which would require an April meeting.

The meeting was adjourned at 10:34 a.m.

James D. Ciampa

James D. Ciampa



SUMMARY OF REGULAR MEETING OF FINANCE COMMITTEE

March 23, 2023 – 1:00 p.m.

Participating Telephonically:

Chair Anthea Hansen

Committee Member Rebecca Eisenberg

Committee Member Michael Tognolini

Absent:

Vice Chair Paul Sethy

Staff and 16 others also attended the meeting.

1.1 February 23, 2023 Finance Committee Meeting Summary. The draft summary of the February 23, 2023 Finance Committee meeting was presented for the Committee's review and discussion. The draft summary was approved by the Committee, as presented.

1.2 Status Update of Audit and Accounting Services Requests for Proposals.

Executive Director Taryn Ravazzini noted that at the March 8, 2023 Board of Directors' meeting the issuance of requests for proposals for audit services and accounting services was discussed. The Board directed that the request for proposal for audit services be sent to various audit firms for audits of the Authority's 2022-23 and 2023-24 fiscal years, with an option for an agreed upon procedures review of the 2021-22 fiscal year. Staff is in the process of preparing that request for proposal. Also, with respect to the 2021-22 fiscal year, Maze & Associates will prepare that audit due to the need to have that audit completed by June 30, 2023. The engagement letter with Maze & Associates for that work is awaiting execution. The Special District Financial Transactions Report for the 2021-22 fiscal year was prepared and was timely filed.

With respect to the accounting services request for proposal, staff is working with Contra Costa Water District staff on that RFP and anticipates finalizing and distributing that RFP by the end of the month. The proposed scope of work includes tasks related to General Financial Transition Services, Program Controls and Reporting, Funding Agreement Administration Support, Accounting Services, and supplemental services as needed. The proposed schedule offers a 30-day advertising period, followed by Authority proposal review and consultant selection, and contract discussions. Authority Board action for contract approval is anticipated at the June 14, 2023 Authority Board meeting.

Committee Member Tognolini inquired as to the outreach efforts in connection with the accounting services RFP and was advised that comments from the Finance Work Group will be solicited to provide input on possible proposing entities. Chair Anthea Hansen emphasized the importance of a firm's familiarity with administering grant funding agreements. Maureen Martin, Contra Costa Water District, advised that CCWD is putting in place robust funding administration processes in connection with the financial transition process.

1.3 Discussion of Proposals for Authority Insurance Coverage

Executive Director Ravazzini informed the Committee that over the past several months, staff has investigated various alternatives from which to procure general liability and errors and omission insurance coverage. Those efforts have included discussing coverage issues 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). Unfortunately, ACWA-JPIA and SDRMA and others have not been willing to provide quotes.

The Los Vaqueros Reservoir Phase 2 Expansion is a unique and complex project and the work of the JPA will evolve over the coming years. Staff, in working with Mike Waltz, an insurance broker with InterWest Insurance Services, has aimed for the baseline for coverage of risk to be established in as comprehensive and flexible a manner as possible. Staff's objective was to receive quotes for Public Officials and Management Liability insurance. Two providers, CalMutuals JPRIMA and Socius, were responsive. Each proposing entity has offered different policies and different coverage limits.

Summaries of the quotes and associated coverage were provided in the table included with the meeting packet. Those quotes reflect an annual cost of coverage from \$43,000 to \$75,000, depending on which proposal is accepted.

Mr. Waltz then reviewed and compared the two proposals. Committee Member Eisenberg inquired regarding the most significant risks the Authority faces for which coverage is needed. He responded that given the Authority's newness, have broader coverage is more beneficial and JPRIMA offers wider and more comprehensive coverage, which also includes the capacity for growth with the Authority. Also, Mr. Waltz stated JPRIMA is a carrier that is familiar with water district exposures and risks. Based on those factors, he recommends JPRIMA's coverage. Committee Member Tognolini commented that the insurance coverage should be as expansive as possible and inquired as to any liabilities that are not covered and what would happen if coverage limits were exceeded. General Counsel James Ciampa stated that any liability not covered by the insurance would be a liability of the Authority, which the Board of Directors would need to determine how to handle and could ultimately be satisfied through member contributions. The Committee reached consensus on recommending to the Board of Directors the coverage that would be provided by JPRIMA.

General Counsel Ciampa, as a matter of full disclosure, advised that he is also general counsel to JPRIMA and there could be a potential conflict of interest based on his representation of both entities. He further stated his representation of JPRIMA focuses on governance and administrative issues and not insurance coverage decisions, which are handled by JPRIMA's insurance

administrator and the underlying insurance companies. Committee Member Eisenberg stated the Authority needs to be transparent regarding that potential conflict of interest.

Committee Member Eisenberg also inquired about the possibility of obtaining a rider from the carriers of the individual member agencies to provide additional coverage for the members and regarding the possibility of increasing coverage limits as the Authority grows and more activities are undertaken. Mr. Waltz commented that as the Authority grows and develops, endorsements and adjustments can be made.

Chair Anthea Hansen stated she appreciated the thorough review provided and suggested this matter be taken to the Board level for approval. Executive Director Ravazzini advised that this matter will be included in an upcoming Board agenda.

1.4 Overview of 2023-24 Fiscal Year Budget

Executive Director Ravazzini advised that 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. She has been working with Contra Costa Water District's staff, led by Maureen Martin, on developing that budget.

Ms. Martin then gave a presentation that provided an overview of the budget at this stage of development. That presentation included the assumptions that have been made regarding the budget, including that the Service Agreement will not be executed until March 2024, funding will be paid to the Authority through Multi-Party Agreement Amendment No. 5, to cover July 1, 2023 through June 30, 2024 and no construction activities will take place in Fiscal Year 2024. Updates to that budget will be provided as the Authority's needs are more clearly determined over the next few months. Ms. Martin also reviewed the uses of funds that comprise the overall budget figures.

Committee Member Tognolini asked whether there will be sufficient monies to cover all Authority expenses, and Ms. Martin confirmed there are sufficient funds to cover all expenses. Mr. Tognolini asked that an informational appendix regarding anticipated construction costs be included for illustrative purposes and Chair Hansen agreed that this would make things clearer for the reader. Ms. Martin concurred with that request and stated it would be helpful with long-term planning for each member agency. She noted the Multi-Party Agreement Amendment No. 5 will be asking for additional payments for FY 2023-2024, which will be evenly split seven ways between the member agencies, other than Grassland Water District.

Executive Director Ravazzini advised that adjustments to Program Management will be made in anticipation of what is coming up next year. Chair Anthea Hansen mentioned that she would like more detail for each line item in the JPA services category. Ms. Martin advised that a full spreadsheet showing greater detail will be provided at the April Committee meeting. Committee Member Tognolini inquired as to the process for review and approval of CCWD invoices and Ms. Martin explained the system of controls and processes CCWD uses regarding its expenses and that Executive Director Ravazzini reviews the invoices for the JPA.

1.5 Draft Treasurer's Report – Month Ended February 28, 2023. Executive Director Ravazzini presented the Draft Treasurer's Report for the month ended February 28, 2023.

FUTURE AGENDA ITEMS:

- Further review of draft FY 24 Budget
- Discuss Multi-Party Agreement, Amendment No. 5
- Discuss status of the Service agreement

The meeting adjourned at 2:49 p.m.

James D. Ciampa

James D. Ciampa
General Counsel

ACTION ITEM

ITEM 6.1: CONSIDERATION OF POSSIBLE ADJUSTMENT TO EXECUTIVE DIRECTOR COMPENSATION

RESPONSIBLE/LEAD STAFF MEMBER:

James D. Ciampa, General Counsel

RECOMMENDATION: That the Board of Directors considers, as it may determine, a possible adjustment to the Executive Director’s compensation.

DISCUSSION:

Section 3(a)(v) of the Executive Director’s Independent Contractor Agreement provides that the Authority is to evaluate the Executive Director’s performance on an annual basis. The Board will complete that evaluation in the closed session that precedes this open session item. Section 3(a)(v) further provides that as part of that evaluation, the Authority will consider an adjustment of the Executive Director’s compensation. This adjustment is in the Board’s discretion.

Currently, the Executive Director is paid \$29,885 per month, which equals her hourly rate of \$215 multiplied by 139 hours. In addition, if the Executive Director works more than 139 hours in a month, she is entitled to compensation at the \$215 hourly rate for the next 24 hours she works (for a total of up to 163 in a month). The Executive Director is not paid for any hours worked in excess of 163 in a month.

In addition, Section 3(a)(iii) of that Agreement provides for an automatic cost of living adjustment to the Executive Director’s hourly rate (currently \$215 per hour). That cost of living adjustment is to be based on the Consumer Price Index (CPI) – Professional and Business Services for the Sacramento/Roseville/Arden-Arcade area based on an April to April year-over-year. However, for the first year under the Agreement, the CPI increase is measured by the percentage increase from September 2022 to April 2023. As of this time, the March 2023 and April 2023 CPI figures have not been released, but the most current figures through February 2023 show a CPI increase in that category of .13% for the 6-month period of September 2022 to February 2023. As mentioned, this is an automatic increase which will be incorporated into the Executive Director’s compensation as soon as the April 2023 CPI figures are available.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Fiscal impact will depend on the level of any adjustment the Board approves.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Executive Director's Independent Contractor Agreement

**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
INDEPENDENT CONTRACTOR AGREEMENT**

Executive Director

This Independent Contractor Agreement (“Agreement”) is by and between the Los Vaqueros Reservoir Joint Powers Authority (“Authority”), with its principal place of business at 1331 Concord Avenue, Concord, CA 94520, and T. Ravazzini Consulting, or assignee (“Contractor”), with its principal place of business as on file with the Authority. The Authority and Contractor may individually be referred to as a “Party” or collectively referred to as “Parties.”

RECITALS

a. The Authority was formed to proceed with Phase 2 of the expansion of the Los Vaqueros Reservoir by expanding the storage capacity of that reservoir to 275,000 acre-feet, to expand related conveyance facilities, to construct new conveyance facilities and to undertake related activities (collectively, the “Project”);

b. The Project has been identified by the State of California and federal government as a key component of California’s integrated water management and supports the state’s co-equal policy to improve water management and restore the ecological health for beneficial uses of the Sacramento-San Joaquin Delta;

c. The Authority desires to obtain professional consulting services from an entity to serve as the Authority’s Executive Director and, as a result, desires to engage Contractor to provide the professional services described herein (the “Services”) in fulfillment of the Project; and

d. Contractor is customarily engaged as an independent business to provide services similar to the Services herein, is qualified to provide the Services and desires to provide the Services subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the provisions set forth in this Agreement, the Authority and Contractor agree as follows:

AGREEMENT

ARTICLE 1: TERM OF AGREEMENT

a. This Agreement shall become effective on September 14, 2022 (“EffectiveDate”), and shall remain in full force and effect until June 30, 2025, or until the earlier termination of this Agreement in the manner provided for herein (the “Term”). As needed during the term of this

Agreement and in conjunction with Contractor's performance review under subdivision (v) of Section 3(a), below, the Parties will review the terms of the Agreement to identify whether any amendments to the Agreement are warranted based on the status of the Project, the nature of the Services and Contractor's performance of the Services as provided through that date. If the Parties identify any warranted amendments, they will, in good faith, negotiate an amendment to this Agreement.

- b. The Term may be extended upon terms mutually agreed upon by the Parties. If either Party desires to extend the Term of this Agreement, then that interest should be expressed to the other Party with sufficient time to allow for negotiation of that extension and approval by the Authority's Board of Directors.
- c. Either Party may terminate this Agreement at any time without cause, by giving at least sixty (60) days' written notice of the termination to the other Party. In the event notice of termination is given by the Authority, then, in the sole and absolute discretion of the Contractor, the Contractor may immediately cease providing all Services under this Agreement and require the Authority to pay the Contractor within 15 days of the termination notice all compensation that would be due to the Contractor for the 60 day period until this Agreement terminates; provided, however, that Contractor will reasonably cooperate with the Authority in transitioning performance of the Services.
- d. The Authority may terminate this Agreement for cause at any time prior to expiration of the Term upon written notice to the Contractor. "For cause" means only if the Contractor commits any material act of dishonesty, discloses confidential information, is guilty of gross carelessness or misconduct, unjustifiably neglects its duties under this Agreement, commits any material breach of the terms of this Agreement or acts in any way that has a direct, substantial, and adverse effect on the Authority's reputation. If the Authority terminates this Agreement for cause, then the Authority shall only be liable to compensate Contractor for Services provided up to the date of Contractor's receipt of the Authority's notice of termination, which, to be effective, must include the full amount of that compensation.

ARTICLE 2: SCOPE OF SERVICES

- a. Under the policy direction of the Authority's Board of Directors, Contractor will serve as the chief executive of the Authority to implement Board policy. While working with the Board of Directors and the Authority's members and their respective staffs, the Contractor will execute administrative policies and be responsible and accountable for technical, administrative and policy level tasks in furtherance of the Project. Contractor will provide overall executive direction of various functions, including financial administration, budgeting, drafting agendas and staff reports for Board meetings, assisting with Board committee meetings, overseeing various consultants for legal and technical work and advocating before local, state and federal governmental agencies and executive and legislative leaders. Contractor will be involved with

issues relating to California water policy and laws, the California Environmental Quality Act, and National Environmental Policy Act and existing local, state and federal water supply projects.

- b. In addition to the overall executive direction described in subdivision (a), the Services listed below illustrate the Services the Authority expects the Contractor to either perform itself, or delegate to any Authority consultants or contractors under the supervision of the Contractor. In addition, Contractor may utilize and coordinate with Members' staffs to assist in performing the Services, including through a Member's in-kind services provided for under other Authority agreements, and the Authority will use its best efforts to ensure such Members' staffs are available to provide such assistance, However, the list is not exhaustive and additional responsibilities may be assigned by the Board upon the written agreement of the Contractor and any agreed adjustment in compensation under this Agreement. Services include:
- i. Interpret and ensure compliance with all Authority policies and procedures, standards of quality and safety, and all applicable local, state, and federal laws and regulations;
 - ii. Within a broad framework established by the Board, directs the establishment of overall strategic plans, long-term goals, and objectives for the agency;
 - iii. Coordinates Project activities and Project scheduling, with input from Authority members' applicable staffs;
 - iv. Meets with Authority member representatives and attorneys and the Authority's general counsel to develop plans and strategies to resolve contractual and legal issues;
 - v. Keeps the Board informed of Authority activities and of laws, issues, or problems that may affect the Authority and its members;
 - vi. Requests policy and related actions from the Board;
 - vii. Directs the preparation of meeting materials and, unless excused by acknowledgment of the Chair of the Board of Directors (the "Chair"), attends all Board meetings (some meetings may be held virtually or by other teleconference or video conference technology);
 - viii. Performs or oversees the monitoring and evaluation of legislation, trends, and issues affecting the water industry, and directs the formulation of appropriate responses;
 - ix. At the Board's direction, manages governmental relations (both internal and conducted by outside consultants) including, but not limited to, discussions and meetings with federal, state and local officials;
 - x. Directs, reviews, and approves special studies, reports, and significant correspondence;
 - xi. Coordinates the development and management of the Authority's annual budget;
 - xii. In accordance with Authority policies, reviews and approves expenditures and deposits, and manages investments of excess revenue and reserve funds;
 - xiii. Implements risk management policies and manages insurance programs;
 - xiv. Directs the initiation and execution of consulting and contract service agreements;

- xv. Receives and responds to inquiries, concerns, and complaints regarding the Project and the Authority's policies, programs, and activities; and
- xvi. Performs general administrative services as required, including, but not limited to, attending and conducting meetings, preparing reports and correspondence, compiling data for reports, reviewing professional literature, entering computer data and preparing spreadsheets, etc.

The Parties will review the Services after the first six (6) months that this Agreement is in effect to determine if any adjustments are necessary and, if so, any corresponding adjustments to the Contractor's compensation.

- c. Contractor will determine the method, details, and means of performing the Services and otherwise upholding its obligations under this Agreement, subject to oversight by the Board of Directors. Unless specifically requested by Authority in the case of a meeting, Contractor shall be generally available to the Authority but is not required to perform the Services during a fixed period of time.
- d. Contractor shall provide supplies necessary to perform the Services. However, to support the Contractor's performance of (i) office management functions, (ii) administrative and support functions, and (iii) technical functions, the Authority shall use its best efforts to make available to the Contractor Members' staffs, as well as other consultants retained by the Authority, who will provide those functions at the direction of the Contractor. Contractor is not required to perform any of the Services at any particular physical location, but from time to time, and upon approval of such member, may perform the Services at the office of an Authority member.
- e. Nothing contained in this Agreement shall limit the ability of Contractor to perform the same or similar duties to the Services for any other authority, entity, or organization (each a "Third Party Client") other than Authority. Contractor will not perform services for a Third Party Client if they unreasonably interfere with Contractor's performance of the Services provided to the Authority under this Agreement or create a conflict of interest for Contractor. If Contractor believes that rendering any services to a Third Party Client may create a conflict of interest for Contractor, Contractor will consult with the Authority's legal counsel to determine appropriate future actions regarding that matter. Consistent with the foregoing, Contractor shall not advocate for other clients in a manner that would result in the communication of any position in any public forum that is contrary to the Authority's interest.
- f. Contractor shall perform the Services in a manner consistent with that degree of skill and care ordinarily exercised by practicing professionals performing similar services in California, relating to a project site comparable to the Project and under the same or similar circumstances and conditions as those concerning the Project.

ARTICLE 3: COMPENSATION

- a. **Method of Payment:** The Authority shall pay Contractor for its Services and project-related business travel and expenses in accordance with the following:
 - i. **Compensation for Services:** Subject to subdivision (ii), below, the Authority shall compensate Contractor for performance of the Services at a rate of \$29,885 per month; provided that for Services rendered at the beginning or end of the term of this Agreement for any portion of a month, rather than for the full month, the monthly compensation will be prorated based on the number of days for which this Agreement was in effect in that month. Contractor understands and acknowledges that it shall receive no other compensation for the services provided under this Agreement, including, but not limited to, vacation benefits and insurance for health, disability, or other risks.
 - ii. **Additional Compensation:** In addition to the compensation provided under subdivision (i), above, Contractor may earn additional compensation at the rate of \$215 per hour for up to twenty-four (24) hours per month that Contractor works in excess of one hundred thirty-nine (139) hours in any month. Contractor must log those additional hours, together with the description of the Services performed in the attachment to its monthly invoice to be submitted to the Authority in the form attached hereto as Exhibit A.
 - iii. **Cost of Living Adjustments.** The amounts payable under subdivisions (i) and (ii), above, are subject to annual increases, to be effective July 1 of each year, based on the percentage increase in the Consumer Price Index – Professional and Business Services for the Sacramento/Roseville/Arden-Arcade area based on the April to April year-over-year increase in that index; provided that for the adjustment to take effect July 1, 2023, the increase shall be based on the percentage increase from September 2022 through April 2023. The provision of adjustments under this subdivision is separate from and does not preclude any other adjustments to Contractor’s compensation that may be approved under this Agreement.
 - iv. **Project-Related Business Travel & Expenses:** On a monthly basis, Contractor may invoice the Authority for the authorized costs of business travel and other expenses that Contractor incurs in its performance of the Services. Such authorized travel that is eligible for reimbursement includes mileage reimbursement at the applicable Internal Revenue Service reimbursement rate for travel to Authority members or otherwise on Authority-related business. Contractor may attend conferences on behalf of the Authority but must obtain prior approval from the Board of Directors for any conference expenses that exceed two thousand dollars (\$2,000.00), including conference registration fees, travel expenses, food and lodging. All such business and travel expenses must include a description of the business justification for the expense and must be substantiated with receipts that will be submitted with Contractor’s monthly invoice as specified below.

- v. Performance Review: The Authority will evaluate Contractor's performance under this Agreement at an annual review. The first such review will occur on or before April 30, 2023 and then each annual review will take place in the month of March or April in each subsequent year for so long as this Agreement remains in effect. As part of the annual review the Authority will consider an adjustment of Contractor's compensation for Services, as the Authority determines appropriate.
 - vi. Quarterly Reviews: The Authority, acting through its Chair, and the Contractor will meet on at least a quarterly basis to determine Project milestones for Contractor to achieve in the upcoming three-month period.
- b. Payment Process: Contractor shall invoice the Authority for Services performed, including any additional compensation and reimbursable expenses incurred on a monthly basis by submitting an invoice in the form attached hereto as Exhibit A. Due to the need for the Authority to track expenditures as required by its grant funding, Contractor must categorize all hours worked based on the nature of the task, as specified in Exhibit A. Invoices shall be sent electronically to the Authority's Administrator and/or the Contra Costa Water District as required for reimbursement by the California Water Commission and the Bureau of Reclamation by the 15th of the month for the previous month's services. The Chair shall review each invoice for approval and either approve or disapprove the subject invoice, in whole or in part. The amounts the Chair approves will be reported as part of the Authority's Treasurer's Report at the next regular monthly Board of Directors meeting following receipt of the Contractor's invoice. Any approved portion of the Contractor's invoice shall be paid to Contractor within 15 days. The Authority may reduce its payment of an invoice by the amount deemed by the Chair to be disapproved until any such disputed item is resolved between Authority and Contractor. However, the Authority must notify and, in good faith, negotiate a resolution of the dispute with the Contractor within 15 days of the Chair's decision to disapprove the subject item.

ARTICLE 4: STATUS & WORK

- a. Status as Independent Contractor: Contractor will act as an independent contractor of the Authority in the performance of the Services under this Agreement. Contractor will set its own hours and maintain its own business office. Contractor may provide services to other clients provided such services do not unreasonably interfere with Contractor's obligations under this Agreement. Contractor will comply with all applicable business license law and will continue to engage as an independently established business and maintain a clientele without restrictions from the Authority, except as otherwise expressly stated herein. The Contractor will be responsible for the payment of all applicable federal, state, and local taxes arising out of or related to Contractor's Services for the Authority. Contractor further agrees to defend, indemnify, and hold the Authority harmless as to any claims or causes of action related to the payment of any federal, state, and local taxes for which Contractor is responsible. Nothing contained in this Agreement shall constitute or be deemed to create between the Authority and

Contractor the relationship of employer/employee, it being expressly understood and agreed that the only relationship between Contractor and Authority created herein shall be that of an independent contractor. Without limiting the foregoing, Contractor is not entitled to any rights or benefits typically afforded to employees, including disability or unemployment insurance, workers compensation, medical or life insurance, paid vacation, paid holidays, paid personal leave or any other employment benefit that are usually provided to employees. Contractor will not be responsible for any adverse actions taken by Federal or state authorities related to Contractor's classification as an independent contractor under this Agreement, which the Authority shall defend against at its sole cost and expense.

- b. Subcontracting: Contractor shall not employ independent consultants, associates, or subcontractors to assist in the performance of Contractor's duties hereunder without the prior written consent of the Authority. As to any such subcontract to which Authority has not granted its express prior written consent, the Authority will not have any obligation to recognize, accept, compensate for, or otherwise assume any responsibility for it or for any work performed pursuant to it.

ARTICLE 5: FORCE MAJEURE

Neither Party to this Agreement shall be liable for its failure to perform its obligations hereunder due to events beyond its reasonable control, including, but not limited to, strikes, riots, wars, fire, earthquakes, acts of God and/or unusual acts of nature, acts in compliance with any law, regulation or order (whether valid or invalid) of the United States of America or any state thereof or any other domestic or foreign governmental body or instrument thereof having jurisdiction in the matter. Delay occasioned thereby shall not be considered a breach of this Agreement.

ARTICLE 6: INDEMNITY

- a. Contractor Indemnification: Contractor shall indemnify and hold the Authority and its officers, directors, employees and agents harmless from and against any claim, cause of action, loss or liability to the extent arising out of or related to any negligent acts or omissions, or willful misconduct, of the Contractor in performing the Services.
- b. Authority Indemnification: Authority shall indemnify and hold Contractor and its officers, directors, employees and agents harmless from and against any claim, cause of action, loss or liability to the extent arising out of or related to (a) acts or omissions of the Authority, and (b) acts or omissions of the Contractor in performing the Services. This indemnification will not apply, however, to the extent any claim, cause of action, loss or liability results from the Contractor's negligence, willful misconduct or breach of this Agreement.

ARTICLE 7: INSURANCE

a. Contractor is solely responsible for procuring its own insurance for liability, health, medical, disability, business interruption, unemployment, automobile, or other obligations or risks. No worker's compensation insurance has been or will be maintained for Contractor by the Authority.

b. Contractor must maintain the following insurance:

i. Commercial General Liability (CGL) Insurance: Commercial General Liability Insurance, including coverage for bodily injury and property damage liability arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury and liability assumed under an insured contract. That CGL policy must have coverage limits of at least \$1,000,000 per occurrence and \$1,000,000 general aggregate limit.

With respect to the Services performed by Contractor, Contractor's Commercial General Liability policy shall be primary to similar insurance of the Authority and shall waive subrogation against Authority.

The Authority, and its directors, officers, and authorized agents shall be added as an additional insured by additional insured coverage endorsements CG 2010 04 13 and CG 2037 04 13, or equivalent additional insured coverage endorsements, on Contractor's Commercial General Liability insurance policy.

ii. Commercial Automobile Liability Insurance: Contractor agrees to maintain Business Automobile liability insurance during the term of this Agreement, with a limit for property damage and bodily injury of \$1,000,000 per occurrence and \$1,000,000 general aggregate limit, together with an equivalent rider for hired and non-owned automobiles.

iii. Workers Compensation Insurance: If applicable, Contractor shall maintain Workers Compensation Insurance, including Employer's Liability, at a minimum limit acceptable to the Parties for all persons whom Contractor may employ in performing the Services. Such insurance shall be in strict accordance with the requirements of the most current and applicable Workers Compensation Insurance Laws in effect from time to time. Contractor shall furnish to Authority confirmation of Contractor's experience modification rate, which the Authority may request from time to time.

c. Such policies shall, as applicable, contain or be endorsed with the provision that coverage shall not be cancelled by the insurance company in coverage without thirty (30) days prior written notice to the Authority.

ARTICLE 8: CONFIDENTIALITY AND PROPRIETARY INFORMATION; WORK PRODUCT

- a. Confidentiality: Contractor acknowledges that it will be necessary for the Authority at times to disclose certain confidential and proprietary information (the “Confidential Information”) to Contractor in order for Contractor to perform the Services under this Agreement. Contractor acknowledges that disclosure to a third party or misuse of this Confidential Information would irreparably harm the Authority. Accordingly, Contractor will not disclose or use, either during or after the term of this Agreement, any Confidential Information of the Authority without the Authority’s prior written permission except to the extent necessary to perform Services on the Authority’s behalf. The Authority acknowledges that as a public agency it is subject to the California Public Records Act (the “Act”). The Authority and the Contractor (on behalf of the Authority) are therefore required to disclose any information deemed to be a public record upon request as provided in the Act. Therefore, notwithstanding any other provision of this Agreement, the Contractor shall not be in breach of this Agreement because it discloses any Confidential Information in response to a request made under the Act.
- b. Work Product: The Parties acknowledge and agree that any work product (“Work Product”) Contractor creates as part of the Services provided under this Agreement (including without limitation all notes, reports, documentation, drawings, computer programs, inventions, creations, works, devices, models, work-in-progress and deliverables) shall be considered a “work made for hire” within the meaning of 17 U.S.C. § 101 of the U.S. Copyright Act, and therefore the copyright to such work product shall be owned exclusively by the Authority. Furthermore, Contractor hereby assigns all right, title and interest, including all copyrights, patents, and any other intellectual property rights, in and to the work product Contractor creates for the Authority under this Agreement, to the Authority.
- c. Return of Confidential Information: Upon expiration or earlier termination of this Agreement, Contractor shall turn over to the Authority all Confidential Information and Work Product in Contractor’s possession within ten (10) business days of the date of expiration or termination.
- d. Non-Interference: For the period of one (1) year after expiration or termination of this Agreement for any reason, Contractor shall not interfere with any relationship between the Authority and any of its members, employees, consultants, agents, representatives or suppliers by persuading, enticing, or attempting to persuade or entice any such member, employee, consultant, agent, representative, or supplier to disengage from the Project.

ARTICLE 9: MISCELLANEOUS

- a. No Legal Services. The Authority acknowledges that the Contractor is an attorney-at-law licensed to practice in the State of California. However, the Contractor is not providing legal services to the Authority under this Agreement or otherwise, and there will not be deemed to exist at any time any relationship of attorney and client between the Contractor and the Authority. No portion of the Services may be interpreted to include the Contractor’s provision

of legal advice or legal review of Authority actions or agreements. The Authority shall rely solely on its general or special counsel for legal advice and representation without any reliance on the Contractor for legal review of that advice and representation, which is not part of the Services.

- b. Governing Law: This Agreement shall be governed by the laws of the State of California.
- c. Amendment: This Agreement shall not be amended except by written agreement signed by both Parties.
- d. Successors and Assigns: This Agreement and the covenants and conditions contained herein shall apply and be binding upon and inure to the benefit of the permitted administrators, executors, legal representatives, assignees, successors, agents and heirs of each Party hereto.
- e. Assignments: This Agreement is not assignable by Contractor without the consent of the Authority, which consent the Authority may grant or withhold for any or no reason in its sole discretion; provided, however that Contractor may assign this Agreement without the Authority's consent to a business entity controlled by Taryn Ravazzini that may be established to render the Services hereunder. Any other such purported assignment without prior written consent by the Authority shall be null and void. Unless otherwise stated in the written consent to an assignment, no assignment will release or discharge either Party from any obligation under this Agreement.
- f. No Third-Party Beneficiaries: Except for rights of indemnitees specifically referenced in this Agreement, no provision of this Agreement is intended to create or grant claims or rights of action against Authority for the benefit of any third parties.
- g. Integration: This Agreement is intended to be the final, complete, and exclusive statement of the terms of Contractor's terms of service to the Authority. This Agreement supersedes all other prior or contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the Services of Contractor to the Authority, and it may not be contradicted by evidence or any prior or contemporaneous statements or agreements. To the extent the practices, policies, or procedures of the Authority, now or in the future, apply to Contractor and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.
- h. Waiver: A waiver by either the Authority or Contractor of any breach of this Agreement shall be in writing. Such a waiver shall not affect the waiving party's rights with respect to any other or further breach.
- i. Severability: If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be and remain valid, binding and enforceable to the fullest extent permitted by law.

- j. Notices: Any notices required by this Agreement shall be in writing and either given in person or by first class mail with the postage prepaid and addressed as provided for in the opening paragraph of this Agreement, and are deemed given on the date they are provided (in the event of personal delivery or delivery by courier) or three (3) business days after being postmarked (in the event of mail delivery).
- k. Representation by Attorney: The Parties expressly represent and warrant that they have had the opportunity to receive, and/or have received independent legal advice from their respective attorneys with respect to the advisability and effect of entering into this Agreement.
- l. Attorney's Fees: In the event of an arbitration or other legal proceeding for breach of this Agreement, or otherwise arising out of or related to this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees, expert fees, and costs incurred in such arbitration or proceeding.
- m. Captions: Any paragraph captions are for reference only and shall not be considered in construing this Agreement.
- n. Authority to Enter: The Parties each warrant and represent that they each have the authority to enter into this Agreement, and that the signatories below are authorized to sign this Agreement on behalf of the Parties.
- o. Counterparts; Electronic Signatures: This Agreement may be executed in counterparts each of which shall be deemed to be an original but all of which taken together shall constitute one and the same Agreement. Any signature hereto may be transmitted electronically, including by e-mail, PDF, DocuSign or other electronic means, and any such electronically transmitted signature shall be as valid as an original signature.

**LOS VAQUEROS RESERVOIR
JOINT POWERS AUTHORITY**

T. RAVAZZINI CONSULTING

By: Angela Ramirez Holmes
Angela Ramirez Holmes (Sep 29, 2022 17:00 PDT)
 Angela Ramirez Holmes, Chair

By: Taryn Ravazzini
Taryn Ravazzini (Oct 4, 2022 13:37 PDT)
 Taryn E. Ravazzini

Date: Sep 29, 2022

Date: Oct 4, 2022

EXHIBIT A

[T. Ravazzini Consulting]

BILL TO:

Los Vaqueros Reservoir
Joint Powers Authority
1331 Concord Avenue
Concord, CA 94520

Invoice No.:

Invoice Date:

INVOICE

Billing Period from _____, 2022 to _____, 2022

**Los Vaqueros Reservoir Joint Powers Authority
SUMMARY OF JOB CHARGES**

ITEM	DESCRIPTION	TOTAL
1	Monthly Retainer	
2	Additional Compensation [if applicable] (see attachment)	
	Labor Subtotal	
3	Project-related business/travel expenses (see attachment)	
4		
5		
6		
		Subtotal
		Past Due
		Balance Due Upon Receipt

Signature _____

Taryn E. Ravazzini
T. Ravazzini Consulting

For payments by mail make check payable to:

Attachment to Invoice – October 1 – 31, 2022

Allocation of Monthly Fee Hours

Task	Previous FY23 to Date	Monthly Total \$	Total FY23 to Date
Task 1 - Project Management			
Task 2 - Environmental Planning			
Task 3 - Engineering Feasibility			
TOTAL			

***Board meeting services are considered as Project Management**

Description of Additional Compensation:

Date	Task Category	Description of Services	Number of Hours	Total \$
TOTAL				

Business/Travel Expenses

Date	Description	Expense Amount	No. of Miles	Mileage Rate*	Mileage Amount	Total = Expense Amt. & Mileage Amt.
				\$.625		
					TOTAL:	

*Based on current IRS Mileage Reimbursement Rate