



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
AGENDA**

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

SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY

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

Please click the link below to join the webinar:

<https://lagerlof.zoom.us/j/87545898409?pwd=U2RRSXU0QzRSNkR4Wkt3bWE4MTc5QT09>

Passcode: 023733

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or Telephone: US: +1 669 900 6833

Webinar ID: 875 4589 8409

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

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the Authority's Interim Clerk at rperea@lagerlof.com by 4:00 p.m. on November 8, 2022 to inform the Authority of your needs and to determine if accommodation is feasible. Each item on the Agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item. Materials related to items on this Agenda are available for public review at: www.losvaquerosjpa.com/board-meetings.

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
John Coleman, Director, East Bay Municipal Utility District
Dennis Herrera, Director, San Francisco Public Utilities Commission
Gary Kremen, 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
Lesa McIntosh, Alternate Director, East Bay Municipal Utility District
Ricardo Ortega, Alternate Director, Grassland Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Sandy Figuers, Alternate Director, Zone 7 Water Agency
TBD, Alternate Director – Ex Officio, Department of Water Resources

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 Consider Adoption of Resolution No. 11-22-01 Re-Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsom and Authorizing Remote Teleconference Meetings of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority for the Period from November 5, 2022 to December 4, 2022 Pursuant to Brown Act Provisions**
- 1.2 Approval of Minutes from October 12, 2022 Board of Directors Meeting**
- 1.3 Treasurer’s Report – Month Ended September 30, 2022**

ACTION ITEMS

- 2.1 Discussion and Approval of Conducting Future Board and Committee Meetings in Light of Revocation of COVID-19 Emergency Declaration**
- 2.2 Approval of Resolution No. 11-22-02 Amending Authority Purchasing Policy**
- 2.3 Approval of Amendment No. 4 to Cost Sharing Agreement**
- 2.4 Approval of Standard Services Agreement with Clean Energy Capital Securities, LLC for Financial Consulting Services (not to exceed \$390,995.00 through June 30, 2023)**
- 2.5 Approval of Resolution No. 11-22-03 in Appreciation of Service of Alternate Director Linda J. LeZotte**

DISCUSSION ITEMS

- 3.1 Overview of Plan of Finance**

FUTURE AGENDA ITEMS

REPORTS

- 4.1 Directors**
- 4.2 General Counsel**
- 4.3 Executive Director**
- 4.4 Board Policy and Action Calendar**
- 4.5 Committee Meeting Summaries**

ADJOURNMENT

CONSENT CALENDAR

ITEM 1.1: CONSIDER ADOPTION OF RESOLUTION NO. 11-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM NOVEMBER 5, 2022 TO DECEMBER 4, 2022 PURSUANT TO BROWN ACT PROVISIONS

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

RECOMMENDATION:

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

DISCUSSION:

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

AB 361 requires that a subsequent resolution be adopted every 30 days to make findings that the emergency conditions justifying such remote meetings continue to exist. Attached Resolution No. 11-22-01 sets forth those required findings to allow for continued remote teleconferenced Board meetings, including that requiring in-person attendance at meetings of the Board would pose an imminent risk to the health and safety of those in attendance, while ensuring public access to those meetings. The attached resolution is substantially similar to the resolutions the Board previously adopted and the findings continue to be valid in light of the persistent COVID-19 statistics.

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

ALTERNATIVES:

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

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Resolution No.11-22-01

RESOLUTION NO. 11-22-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS
RESERVOIR JOINT POWERS AUTHORITY RE-RATIFYING THE
PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN
NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE
BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS
AUTHORITY FOR THE PERIOD FROM NOVEMBER 5, 2022 TO DECEMBER 4, 2022
PURSUANT TO BROWN ACT PROVISIONS**

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

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

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

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

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

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

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

WHEREAS, such conditions continue to exist in the Authority’s geographical jurisdiction, specifically, a state of emergency has been proclaimed in the State of California pertaining to the threat to the health, safety and well-being of the Authority’s directors, staff,

vendors, contractors, customers and residents presented by COVID-19, and its Delta, Omicron, BA.2, BA.5 and possibly other variants, which remain highly contagious; and

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

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

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

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

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

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

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

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

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

Section 4. Remote Teleconference Meetings. The Executive Director, Interim Administrator, Authority staff and the Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code Section 54953(e) and other applicable provisions of the Brown Act.

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

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 9th day of November, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

Attest:

Ellen Wehr, Secretary

CONSENT CALENDAR

ITEM 1.2: APPROVAL OF MINUTES FROM OCTOBER 12, 2022 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 October 12, 2022 Board of Directors meeting.

DISCUSSION:

The Clerk, General Counsel, Interim Administrator and Executive Director have prepared the attached draft minutes from the October 12, 2022 Board of Directors meeting.

ALTERNATIVES:

Any suggested revisions to the draft October 12, 2022 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft minutes from October 12, 2022 Board of Directors meeting.



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
MINUTES**

Regular Meeting of the Board of Directors

October 12, 2022 – 10:00 a.m.

GRASSLAND WATER DISTRICT

200 W. Willmott Avenue

Los Banos, California 93635

CALL TO ORDER at 10:00 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 (by teleconference)

Gary Kremen, Director, Santa Clara Valley Water District (by teleconference)

ALTERNATE DIRECTORS

Jonathan Wunderlich, Alternate Director, Alameda County Water District

Antonio Martinez, Alternate Director, Contra Costa Water District

Ricardo Ortega, Alternate Director, Grassland Water District

*Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission (by teleconference)

*Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority (arrived at 10:08 a.m.)

Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District (by teleconference)

*Alternate Directors who replaced absent Directors from their member agencies

ABSENT

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

John Coleman, Director, East Bay Municipal Utility District

Dennis Herrera, Director, San Francisco Public Utilities Commission

Lesa McIntosh, Alternate Director, East Bay Municipal Utility District

Sandy Figuers, Alternate Director, Zone 7 Water Agency

OTHERS PRESENT

Taryn Ravazzini, Executive Director
Marguerite Patil, Interim Administrator
James Ciampa, Lagerlof, LLP, General Counsel
Rosemarie Perea, Board Clerk
Maureen Martin, Deputy Interim Administrator
David Moore, Clean Energy Capital
John Weed, Director at Alameda County Water District
Chris Hentz, Contra Costa Water District
Vince Barbara, U.S. Bureau of Reclamation
Allison Jacobson, U.S. Bureau of Reclamation
Senobar Lanigan, San Francisco Public Utilities Commission
Ibrahim Khadam, Stantec

CONSIDER ADOPTION OF RESOLUTION NO. 10-22-01 RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY FOR THE PERIOD FROM OCTOBER 6, 2022 TO NOVEMBER 4, 2022 PURSUANT TO BROWN ACT PROVISIONS.

AB 361 requires that a subsequent resolution be adopted every 30 days to make findings that the emergency conditions justifying such remote meetings continue to exist. Attached Resolution No. 10-22-01 sets forth those required findings to allow for continued remote teleconferenced Board meetings, including that requiring in-person attendance at meetings of the Board would pose an imminent risk to the health and safety of those in attendance, while ensuring public access to those meetings.

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

After discussion and upon motion by Secretary Wehr, seconded by Treasurer Sethy, Resolution No. 10-22-01 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
Gary Kremen, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
- NOES: None
- ABSENT: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
John Coleman, Director, East Bay Municipal Utility District
- ABSTAIN: None

The motion passed with a 6-0 vote, with the absences noted above.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

CONSENT CALENDAR

The approval of the Consent Calendar included:

1.1 - Approval of Minutes from September 14, 2022 Board of Directors Meeting

Upon motion by Treasurer Sethy, seconded by Alternate Director Ritchie, the September 14, 2022 Minutes 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
Gary Kremen, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
- NOES: None
- ABSENT: John Coleman, Director, East Bay Municipal Utility District
- ABSTAIN: None

The motion passed with a 7-0 vote, with the absence noted above.

1.2 - Treasurer’s Report – Month Ended August 31, 2022

Upon motion by Treasurer Sethy, seconded by Director Kremen, the Treasurer’s Report for the month ended August 31, 2022 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
Gary Kremen, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
- NOES: None
- ABSENT: John Coleman, Director, East Bay Municipal Utility District
- ABSTAIN: None

The motion passed with a 7-0 vote, with the absence noted above.

ACTION ITEMS – THIS ITEM WAS MOVED FOLLOWING THE DISCUSSION ITEMS

DISCUSSION ITEMS

ITEM 3.1 Amendment No. 4 to the Multi-Party Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning

Taryn Ravazzini, Executive Director, advised that the original concept on funding for the Authority was that Amendment No. 4 to the Multi-Party Cost Share Agreement among the Members would provide funding for the Authority through December 31, 2022 and then the Interim Funding Agreement would provide further funding until such time as the Service Agreements are in place, with the understanding that there would likely be some overlap in funding in early 2023 as the Authority becomes fully operational.

Ms. Ravazzini then introduced Deputy Interim Administrator Maureen Martin who provided further details concerning the funding issue. Ms. Martin stated that drafts of Amendment No. 4 and the Interim Funding Agreement were prepared and were provided to the Members' finance staffs in early September for their review and comments. The consensus feedback from the staffs was that the overlap of the two agreements created confusion and complicated the payment structure. The staffs suggested to instead utilize Amendment No. 4 to provide funding through June 30, 2023, the end of the Authority's fiscal year and then transition to the Interim Funding Agreement, if needed.

Based on that feedback, Amendment No. 4 has been revised to add provisions regarding the tasks the Authority will undertake under that amendment and to make the Authority a party to that amendment. The revised draft Amendment No. 4 has been provided to the Members' finance staffs for their further review and comment. The cost share amount of \$1,094,000 per Member remains unchanged. Staff plans to bring the final version of Amendment No. 4 to the Finance Committee at its October 27, 2022 meeting and to the Board at its November meeting. Execution of the Agreement by Members is expected before the end of December, but a provision was added to the amendment to state the amendment will take effect when CCWD and the Authority execute it and it would then apply retroactively to when the other Members sign it.

ITEM 3.2 Program Management Approach

Executive Director Ravazzini advised she has met with staff to discuss the Program Management position and is assessing the Authority's needs in that regard. She stated she also has been in contact with several consulting firms that may be interested in pursuing that work. She has begun working on the scope of work for the position and will be reaching out to Member Agency General Managers to designate a staff person to engage in the development of the Request for Proposal and resulting review and selection process.. Chair Ramirez Holmes recommended that the Operations and Engineering Committee be involved in the recruitment process, including in developing the request for proposals for the position.

Questions and comments were received from the Board, including whether there are any other projects that use a comparable structure (Deputy Interim Administrator Martin replied there are not) and regarding the need to keep accounting services separate from the Program Management tasks.

ITEM 3.3 WIFIA Loan Credit Rating

Executive Director Ravazzini advised that the Authority has submitted to the U.S. Environmental Protection Agency (USEPA) a WIFIA Letter of Interest (LOI), which is currently under review by USEPA. If the Authority's LOI is accepted by the USEPA, the Authority will then need to prepare the application for the WIFIA loan and will need to obtain a credit rating as part of that process. The Project's financial advisor, David Moore of Clean Energy Capital, discussed the necessary actions for the Authority to obtain that credit rating. He emphasized that the required only needs to be investment grade and it is anticipated the Authority will easily obtain such a rating based on the credit ratings of its Members. Also, the credit rating has no impact on the interest rate the Authority would receive, which is predetermined under the WIFIA program. Mr. Moore then answered questions posed by members of the Committee and provided supplemental information to provide clarity.

ITEM 3.4 Review of Board Policy and Action Calendar

Taryn Ravazzini, Executive Director, presented the updated Board Policy and Action Calendar for the Board's information. The following updates were incorporated into the current version of the Board Policy and Action Calendar:

- Adjusted schedule for Insurance Quotes, DWR MOU, CCWD Design and Construction Principles and Bank Services.
- Interim Funding Agreement and Technical Services Agreement removed.
- Multi-Party Cost Share Agreement Amendment No. 4 added.

ACTION ITEM

ITEM 2.1 Approval of Conflict of Interest Code

James Ciampa, General Counsel, advised that shortly after the Authority was formed, a draft of the Authority's Conflict of Interest Code was prepared and submitted to the Fair Political Practices Commission ("FPPC") for approval because the FPPC is the code reviewing body due to the fact the Authority consists of members from multiple counties. Intermittent communications with the FPPC were conducted over many months and in early August their suggested revisions to the draft Code were received. The draft Conflict of Interest Code was presented to the Board as a discussion item at the September Board meeting and no further revisions have been requested by the FPPC.

Secretary Wehr then inquired of the note on the Code concerning services provided by CCWD employees, which appeared inconsistent with the current staffing model through Authority independent contractors, including the Executive Director. General Counsel Ciampa stated that it would be prudent to revise the Code to ensure it is accurate with how the Authority is now conducting its activities and that will require FPPC approval of any revisions. He stated it would be acceptable to table this item in order to make those changes. Secretary Wehr then moved to table this item, which was seconded by Alternate Director Gutierrez. The motion 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
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District (vote provided subsequent to conclusion of item due to technical difficulties)

NOES: None

ABSENT: John Coleman, Director, East Bay Municipal Utility District

ABSTAIN: None

The motion passed with a 7-0 vote, with the absence noted above.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 – Directors

Chair Angela Ramirez Holmes thanked the Grassland Water District for hosting the meeting and the following refuge facilities tour. She advised the Board that Alternate Director Antonio Martinez of Contra Costa Water District has been appointed to the Operations and Engineering Committee. She reported on the numerous meetings the Authority’s representatives attended in Washington, D.C. and on the very positive bi-partisan and bi-cameral support for the project received from various congressional representatives and their staffs, as well as from the U.S. Environmental Protection Agency and U.S. Bureau of Reclamation.

4.2 - General Counsel

General Counsel Ciampa reported on Assembly Bill 2449 dealing with teleconference meeting procedures. He mentioned AB 2449 provides very limited opportunities for teleconferencing without complying with the existing Brown Act notice, posting and public accessibility requirements. Chair Ramirez Holmes asked that this item be placed on the next Communications and Outreach Committee agenda for discussion.

4.3 – Executive Director - Taryn Ravazzini

Executive Director Ravazzini thanked the Board for the opportunity to take on the Executive Director position. She also thanked the Grassland Water District for hosting the meeting and the refuge facilities tour. She reported on the recent completion of the Transfer Pipeline Inspection and complimented the Contra Costa Water District and East Bay Municipal Utility District teams on their coordinated efforts. She advised the Authority now has a Twitter page @losvaquerosjpa and encouraged those present to follow the Authority on Twitter.

4.4 - Committee Meeting Summaries

Chair Angela Ramirez Holmes referred to the summaries from September 15, 2022 Operations and Engineering Committee meeting and the September 26, 2022 Finance Committee Meeting attached for the Board's information.

The meeting was adjourned at 11:19 a.m.

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr, Secretary

ITEM 1.3: TREASURER’S REPORT – MONTH ENDED SEPTEMBER 30, 2022

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Staff has prepared the Treasurer’s Report for September 2022. This report was reviewed by the Finance Committee at its October 27 meeting.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Treasurer’s Report for Month Ended September 30, 2022



TREASURER’S MONTHLY REPORT

October 20, 2022

UPCOMING ACTIVITIES

October 27 at 1:00 – Finance Committee Meeting via Zoom

October 31 at 2:00 p.m. – Finance workgroup meeting on Draft Term Sheet on LVE Project Operations via Zoom

November 16 at 2:30 – Finance Committee Meeting via Zoom

Finance Committee Members:

Chair: Anthea Hansen, SLDMWA
 Vice-Chair: Paul Sethy, ACWD
 John Coleman, EBMUD
 Linda LeZotte, SCVWD

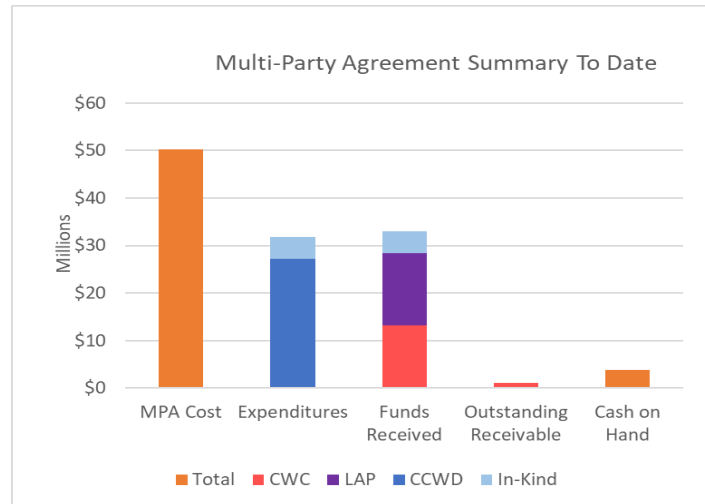
ACRONYM KEY

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

MULTI-PARTY AGREEMENT STATUS

Amendment No. 3 to the Multi-party Cost Share Agreement (MPA) was executed on November 1, 2021 and the second invoice of \$448,560 per agency was sent out in July 2022 and payments have been received by all Local Agency Partners (LAPs).

The following chart provides an overview of the MPA expenditures through September 30, 2022. The in-kind services, funds received, outstanding receivable, and cash on hand are shown through September 30, 2022. All LAPs remain in good standing and the Project cash on hand remains positive.



MPA Summary to Date:

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

Expenditures:

CCWD: \$27,281,028 (includes consultants and legal services)
 LAP: \$4,586,953 (in-kind services)
 Total: \$31,867,981

Funds Received:

CWC: \$13,211,826
 LAP: \$15,194,842 (cash contributions)
 LAP: \$4,586,953 (in-kind services)
 Total: \$32,993,621

Outstanding Receivable:

CWC: \$1,107,462
 LAP: \$0

Cash on Hand: \$3,740,644

FEDERAL FUNDING STATUS

A total of \$82 million was allocated to the Project in the Bipartisan Infrastructure Law FY22 Spend Plan. Previous awards of Federal funding during FY21 and FY22 include \$10 million in pre-construction funding and \$54 million in construction funding. An assistance agreement has been executed with Reclamation for a total of \$7.2 million in federal funding for permitting, design, and other pre-construction activities and the initial invoice has been submitted.

Future Federal funding requests include the remainder of the requested federal share of 21 percent of the total project cost (approximately \$67 million). Some portion of the federal funding share may be available in the upcoming appropriations under the Water Infrastructure Improvements for the Nation (WIIN) Act.

STATE FUNDING STATUS

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

The Early Funding Agreement with the CWC provides for a cost share of 50 percent of eligible costs through December 31, 2022. An amendment was approved by the CWC on May 18, 2022 to extend the agreement through December 31, 2023 and include \$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 current Early Funding Agreement. The Total Budget and other budget status information will be updated following execution of the amendment.

Early Funding Agreement Summary to Date:

Total Budget:	\$45,900,000
Total Program Funding:	\$22,950,000 (50 percent cost share)
Total Billed To Date:	\$28,638,578 (62% spent to date)
Total Amount Remaining:	\$17,261,422
Total Retention To Date:	\$561,726
Outstanding Invoices:	\$545,736

ACTION ITEMS

ITEM 2.1: DISCUSSION AND APPROVAL OF CONDUCTING FUTURE BOARD AND COMMITTEE MEETINGS IN LIGHT OF REVOCATION OF COVID-19 EMERGENCY DECLARATION

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

DISCUSSION:

Since its inception, the Board of Directors has relied on AB 361 to provide the authority for conducting Board and Committee meetings by remote means (i.e., Zoom) without compliance with the Brown Act's notice, posting and public access requirements. AB 361 still remains in effect but will become inapplicable once the State's COVID-19 emergency declaration is revoked, which will happen on February 28, 2023. Thus, the Board will need to consider how to best handle meeting attendance once AB 361 is no longer available for remote meetings.

Monthly Board meetings and Committee meetings may be conducted in the following ways:

- 1) In-person monthly Authority Board Meetings, in either:
 - a. Central location
 - b. Rotating location
- 2) Hybrid Meetings
- 3) Fully Remote Meetings

The Communications and Outreach Committee discussed this issue at its October 26 meeting and agreed that in-person Board meetings at a fixed location was the best alternative, subject to discussion and approval by the Board of Directors. The Communications and Outreach Committee also confirmed that Zone 7 Water Agency was able to host the Board meetings and had the capability to handle remote access in the event a director could not attend in person, although there will be some cost to the Authority to procure necessary equipment for that remote access. The Communications and Outreach Committee also discussed how these options would apply to the Authority's committees and recommends to the Board that each committee determine the best way in which to conduct its meetings.

Compliance with the Brown Act for fully remote meetings will require agenda notice of each remote or teleconference location, posting of the agenda at each remote or teleconference location and public accessibility for any remote sites from which a Board or committee member participates.

ALTERNATIVES:

The Board could opt for hybrid meetings or for fully remote meetings that comply with the Brown Act's notice posting and accessibility requirements.

FISCAL ANALYSIS:

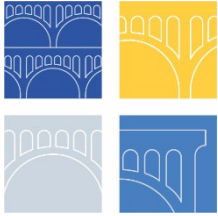
Some costs may be incurred in connection with technological purchases needed for any type of hybrid meeting.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Memorandum regarding AB 2449 (which pre-dates the announcement of the revocation of the emergency declaration) and prior memorandum regarding Board meeting issues (with revision, as shown in red, to address the revocation of the emergency declaration).



MEMORANDUM

To: Taryn Ravazzini, Los Vaqueros Reservoir Joint Powers Authority

From: James Ciampa

Re: AB 2449

Date: October 3, 2022

On September 13, Governor Newsom signed AB 2449 (B. Rubio) into law. AB 2449 amends the Brown Act to expand the use of remote/teleconference meetings in the post-AB 361 world without having to comply with the existing Brown Act agenda, posting and public accessibility requirements. Specifically, AB 2449 amends Government Code Sections 54953 and 54954.2 to address those issues.

EXISTING TELECONFERENCE REQUIREMENTS: By way of background, the Brown Act allows for teleconference meetings in Government Code Section 54953(b). That statute requires: (i) posting agendas at each teleconference location (i.e., each location from where a director was calling in); (ii) each teleconference location must be identified in the agenda; (iii) each teleconference location must be accessible to the public; and (iv) during the teleconference, at least a quorum of the members of the legislative body must participate “from locations within the boundaries of the territory over which the local agency exercises jurisdiction.” These requirements remain in place after AB 2449 takes effect on January 1, 2023.

AB 361 COVID-19 CHANGES: In light of COVID-19, the Legislature enacted AB 361 that took effect on October 1, 2021, to provide exceptions to the above-referenced requirements. AB 361 will remain in effect until January 1, 2024 and then will be repealed. It also will cease to be in effect if COVID-19 conditions improve, as discussed below.

For a local agency to proceed under AB 361, it must make one of the following two findings when its board adopts the continuing AB 361 resolution:

(A) The local agency is holding a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; **or**

(B) The local agency is holding a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

When state or local health authorities withdraw their recommendations for social distancing and if a governing board is also not able to adopt a finding that meeting in person would present an imminent risk to the health or safety of attendees, then local agencies would not be able to rely upon AB 361 to avoid compliance with the Brown Act’s teleconference requirements stated above, even if the proclaimed state of emergency remains in place. In addition, if Governor Newsom terminates the proclaimed state of emergency, then local agencies similarly would not be able to rely upon AB 361.

AB 2449: AB 2449 is intended to apply in certain limited circumstances to allow local agencies to conduct teleconference meetings without having to comply with the existing Brown Act requirements discussed above when some (i.e., less than a quorum) directors are not able to participate in person for permissible reasons as set forth in the new law. Thus, in those settings, a local agency will not have to post agendas at all teleconference locations, will not be obligated to identify all teleconference locations in the meeting agendas, and will not need to make each teleconference location open to the public.

Participation Requirements: However, for an agency to proceed under the procedures established by AB 2449, it must observe the requirement that **at least a quorum** of the members of the legislative body participates **in-person** from a singular, physical location clearly identified on the agenda, open to the public, and situated within the boundaries of the territory over which the local agency exercises jurisdiction. **Under AB 2449, it would not be permissible to have the entirety of the board participate remotely.**

Reasons Supporting Remote Participation: Remote participation under AB 2449 is allowed only for specified reasons — either because of a “just cause” or as a result of “emergency circumstances.” Those two reasons have different requirements that must be observed and have their own unique restrictions. See the table on next page for more details.

Technological Requirements: Under the terms of AB 2449, an agency must provide *at least* one of the following so that the public may remotely observe the meeting and provide comments:

- A two-way audiovisual platform (defined to mean an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function); and/or
- A two-way telephonic service *and* a live webcasting of the meeting (defined to mean a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform and allows participants to dial a telephone number to listen and verbally participate).

In each instance where the agency gives notice of the teleconferenced meeting, the agenda must identify and include an opportunity for all persons to attend and address the legislative body via a call-in option, internet-based service option, and at the in-person location of the meeting.

Under what conditions may Board members use AB 2449? Board members are *individually* tasked with observing certain requirements before they can participate in a Board meeting remotely under AB 2449. It is incumbent upon the individual board members to follow the requirements laid out in the bill. Except for a few overlapping obligations, those requirements differ based on whether the member’s remote participation is arising out of a “just cause” or “emergency circumstances,” as shown in the table below:

“Just Cause”	“Emergency Circumstances”
<p>✓ The member notifies the legislative body at the earliest opportunity possible (including at the start of a regular meeting) of their need to participate remotely for “just cause,” including a general description (typically not exceeding 20 words) of the circumstances relating to their need to appear remotely at the given meeting.</p> <p>Remote participation for “just cause” reasons cannot be utilized by any Board member for more than two meetings per calendar year.</p> <p>“Just cause” means any of the following:</p> <ul style="list-style-type: none"> • A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely • A contagious illness that prevents a member from attending in person • A need related to a physical or mental disability not otherwise accommodated • Travel while on official business of the legislative body or another state or local agency 	<p>✓ The member requests the legislative body to allow them to participate in the meeting remotely due to “emergency circumstances” and the legislative body takes action to approve the request. The member must make this request to participate remotely at a meeting as soon as possible. The legislative body must request a general description (typically not exceeding 20 words) of the circumstances relating to the requesting member’s need to appear remotely at the given meeting.</p> <p>✓ The member must make a separate request for each meeting in which they seek to participate remotely.</p> <p>The general description of the circumstances does not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act.</p> <p>The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with <u>existing law</u>.</p> <p>“Emergency circumstances” means a physical or family medical emergency that prevents a member from attending in person.</p>
<p>✓ The member must publicly disclose at the meeting, before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member’s relationship with any such individual(s).</p> <p>✓ The member must participate through <i>both</i> audio and visual technology (thus, the member’s camera must be on!).</p> <p>Under neither case (“just cause”/“emergency circumstances”) do AB 2449’s provisions permit any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of:</p>	

- more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, *or*
- more than two meetings *if the legislative body regularly meets fewer than 10 times per calendar year*

CONCLUSION: The provisions in AB 2449 are optional. There is nothing in the law that precludes an agency from observing the existing Brown Act requirements in the conduct of their meetings. It must also be emphasized that the provisions of AB 2449 are extremely limited and would not apply in a situation where a Board member is on a personal vacation. In that instance, the agency would need to comply with the existing teleconference requirements.

As mentioned above, the remote meeting rules enacted in AB 361 will expire on January 1, 2024, or possibly sooner if COVID-19 conditions improve. AB 2449's rules remain in effect through December 31, 2025. After January 1, 2026, unless further legislation is adopted, only the pre-pandemic, traditional Brown Act rules will remain in effect.



MEMORANDUM

To: Board of Directors, Los Vaqueros Reservoir Joint Powers Authority

From: James Ciampa

Re: Board Meeting Issues – Remote Meetings

Date: April 13, 2022

As the number of COVID-19 cases continues to decline, the State is beginning to take steps to return to pre-COVID conditions. The Authority, as a local agency subject to the Brown Act, will need to consider how to conduct its Board of Directors’ and committee meetings as the COVID-19 conditions continue to improve, which will make it more difficult for the Board to make the necessary findings to continue operating under AB 361, as discussed below.

PRE-COVID-19: Before COVID-19, the Brown Act’s teleconference requirements included: (i) posting agendas at each teleconference location (i.e., each location from where a director was calling in); (ii) each teleconference location needed to be identified in the agenda; (iii) each teleconference location needed to be accessible to the public; and (iv) during the teleconference, at least a quorum of the members of the legislative body must participate “from locations within the boundaries of the territory over which the local agency exercises jurisdiction.”

COVID-19 CHANGES: In light of COVID-19, Governor Newsom initially issued an Executive Order to suspend the above-referenced teleconferencing requirements. The Legislature then passed AB 361 last fall, to take effect on October 1, 2021, to provide exceptions to the above-referenced requirements. For a local agency to proceed under AB 361, it must make one of the following two findings when its board adopts the continuing AB 361 resolution:

(A) The local agency is holding a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; **or**

(B) The local agency is holding a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

When state or local health authorities withdraw their recommendations for social distancing and if the Board is also not able to adopt a finding that meeting in person would present an imminent risk to the health or safety of attendees, then the Authority would not be able to rely upon AB 361 to avoid compliance with the Brown Act’s teleconference requirements stated above, even if the proclaimed state of emergency remains in place. In addition, if Governor Newsom terminates the proclaimed state of

emergency, then the Authority similarly would not be able to rely upon AB 361. **With that emergency declaration set to be revoked on February 28, 2023, AB 361 will no longer be available as an exemption from the pre-existing Brown Act teleconferencing requirements.**

POSSIBLE FUTURE ALTERNATIVES: Thus, when the ~~Board is not able to make one of the necessary findings or if Governor Newsom withdraws the~~ proclaimed state of emergency **is revoked as of February 28, 2023**, the Board will need to consider its options for how to proceed with its meetings. Following are the available options:

1. Return to Full In-Person Meetings. The Board could conduct its meetings fully in-person and not provide any teleconferencing or remote options. That is the simplest course of action from a technological and agenda standpoint but would involve all directors traveling to an agreed upon location where the meeting would occur. Given the distant locations of the Member agencies, such an in-person meeting could prove challenging for some directors, depending upon the meeting location that is selected. In addition, in-person meetings may be difficult for members of the public who desire to attend in person. Lastly, there would be increased greenhouse gas emissions resulting from the commutes to the in-person meeting location from many of the directors and staff driving to the meeting.
2. Conduct Hybrid Meetings. The Authority could conduct meetings at a location that is in close proximity to some of the directors, who could attend in-person, and then other directors could avoid travel by calling in by telephone or by video conference. The locations of all directors who call in or participate by video conference would need to be disclosed in the agenda, the agenda would need to be posted at all of those locations and each of those locations would need to be accessible to the public. Also, at least a quorum of directors must participate from locations within the Authority's territory, which likely will not be a problem given the Authority's broad, multi-county jurisdiction.

Such hybrid meetings would present a technological challenge, as the in-person meeting location needs to be set up with suitable cameras and computer connectivity. Also, there could be significant costs involved in setting up a suitable process by which to webcast the meetings. Those issues would be important in selecting the in-person meeting site.

3. Continue with Fully Virtual Meetings. As the Brown Act does not require at least a quorum to participate in-person, but instead only requires that such a quorum participate from locations within the Authority's boundaries, the Authority could continue with fully virtual meetings. In that situation, the above-referenced requirements with respect to agenda posting and public accessibility must be complied with. However, such fully virtual meetings, in the manner we have been conducting, are feasible under the Brown Act, so long as the stated teleconferencing requirements are met.

There are several bills pending in the Legislature that could revise the Brown Act's teleconferencing, including AB 2449, which in its current form would require at least a quorum of a board to participate in-person if other directors will participate by teleconference or video conference. Thus, if such legislation becomes law, it could impact the Authority's meetings in the future.

ITEM 2.2: APPROVAL OF RESOLUTION NO. 11-22-02 AMENDING AUTHORITY PURCHASING POLICY

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

The Board of Directors adopted the Authority's Purchasing Policy at its February meeting. At the time that Purchasing Policy was adopted, it was acknowledged that it was essentially an interim policy to apply while the Authority was administered by the Interim Administrator and that revisions would be made once the Executive Director was engaged. With the engagement of the Executive Director, it is necessary to update the Purchasing Policy to provide the procurement authority to the Executive Director. The attached redlined version of the Purchasing Policy shows those changes and is presented for the Committee's review and discussion.

The Finance Committee reviewed the amended policy at its October 27 meeting and recommended the Board of Directors approve the amended policy.

ALTERNATIVES:

The Board could defer action on this item to a future meeting.

FISCAL ANALYSIS:

Fiscal impact dependent on purchases made

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Redlined version of proposed amendments to Purchasing Policy; Resolution No. 11-22-02 adopting Amended Purchasing Policy (clean version attached).

PURCHASING POLICY AND EXPENDITURE LIMITS

PURPOSE

The purpose of this Policy is to establish a comprehensive set of purchasing policies for the Los Vaqueros Reservoir Joint Powers Authority (“Authority”) that will assure continuity and uniformity in its purchasing operations and provide guidelines for purchasing supplies and services.

1. Policy

The Authority is committed to purchasing supplies, services and equipment in a fair, open and equitable manner that provides the best overall value to the Authority. Each person responsible for the procurement of goods and services for the Authority must follow these guidelines.

2. Conflict of Interest

No Director, officer or staff member of the Authority shall participate in the process of purchasing any supplies, services and equipment, or participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- A Director, officer or staff member;
- Any member of his or her immediate family;
- His or her partner; or
- An organization that employs, or is about to employ, any of the above:

has a financial interest in the firm or organization selected for award of such a contract for supplies, services, or equipment. For purposes of this Policy, the definition of “financial interest” included in the Fair Political Practices Commission’s regulations is hereby incorporated by this reference.

No Director, officer or staff member of the Authority may accept, directly or indirectly, any gift, rebate, money, or anything else of value whatsoever from any person or entity if the gift, rebate, money or item of value is intended as a reward or inducement for conducting business, placing orders with, or otherwise using the Director’s, officer’s or staff member’s position to favor the contributor.

No Director, officer or staff member of the Authority shall aid or assist a vendor or bidder in securing a contract to furnish commodities, equipment or services, or, favor one vendor or bidder over another, or give or withhold information from any vendor or bidder not given or withheld from all other vendors or bidders, or willfully mislead any vendor or bidder in regards to an offer or bid specification, or knowingly certify to a greater level of service performed, or commodities or equipment furnished, than has respectively been performed or received. Any Director or Alternate Director who has had any communication or contact with a vendor or bidder who is under consideration by the Authority for award of a contract shall disclose such communication or contact to the Board prior to the Board’s consideration of the award of that contract.

3. General Provisions

The basic purchasing policy of the Authority is to obtain goods and services for its operations at the lowest possible overall cost, while ensuring such goods and/or services are of acceptable quality. This includes maintaining a purchasing system that ensures maximum use of fair and open competition and receipt of the best value for funds available, consistent with applicable laws and regulations. In the event of any conflict between this Policy and the Public Contract Code, the provisions of the Public Contract Code shall control. Purchasing responsibility and authority shall be delegated to a level consistent with good business practice and sound financial management policy.

The following apply to all purchases made by the Authority:

- A. No purchase will be approved or undertaken unless an appropriation has been established, either through the adopted annual budget or Board approval of additional appropriations. It is the responsibility of the Executive Director ~~Interim Administrator~~ to maintain control of budgets that have been designated as their responsibility.
- B. All purchases shall be of the quality deemed necessary to suit the intended purpose.
- C. Competitive bidding is established based on type of purchase and/or established dollar limits, as specified in Section 5, below. To the extent competitive bidding is required by this Policy, or, if in the discretion of the Executive Director ~~Interim Administrator~~ competitive bidding is deemed to serve the best interests of the Authority, the Executive Director ~~Interim Administrator~~ shall have the sole and exclusive authority to determine the manner in which the competitive bidding process shall be undertaken, with the objective that the bid process be fair and open to qualified bidders in order to obtain the best value for the Authority.
- D. Purchases shall not be split to avoid required procedures or established dollar limits. Purchases of like items or services should be considered on an annual basis.
- E. The Authority strives to integrate and balance environmental, equity, diversity and economic objectives into its decision-making, policies, programs and work practices regarding purchasing of goods and services. The Authority will consider making sustainable purchases where possible.
- F. The emergency purchase of goods is authorized as specified below.
- G. The Executive Director ~~Interim Administrator~~ shall report all expenditures over \$2,500.00 to the Board of Directors.

4. Purchasing and Approval Authority

Purchasing authority is defined as the authority to make a purchase or enter into an agreement once all applicable purchasing procedures have been followed. The Board of Directors (“Board”) delegates purchasing and approval authority in certain amounts as specified in this Policy to the Executive Director, ~~Interim Administrator~~.—The Executive Director ~~Interim Administrator~~ may then delegate appropriate authority to staff as outlined in this Policy.

A. Contra Costa Water District (CCWD) Monthly Invoice

- i) The CCWD invoice for monies to be paid by the Authority for Administrator services and other support of the Los Vaqueros Reservoir Expansion Project, including as specified under the Multi-Party Cost Sharing Agreement, as amended, upon review by the Chair of the Board of Directors, will not be subject to the limitations below.

B. Expenditure Reimbursement Limitations

- i) Budgeted Routine Operating Expenditure Types or Items (routine budgeted expenditure types or items like utilities, materials, supplies, maintenance work, and regulatory fees and taxes previously reviewed by the Board in the budgeting process)
 - a) ~~Executive Director~~ ~~Interim Administrator~~ or their respective designee may approve the full amount without additional approval but to be included in the financial reporting of the Authority to the Board.
 - b) Internally, CCWD will limit designated authority to conform to its purchasing policy
- ii) Non-Routine Operating Expenses or items not previously reviewed by the Board in the budgeting process
 - a) ~~Interim Administrator~~ ~~Executive Director~~ or designee limit up to \$50,000
 - b) Board at \$50,000 or above
- iii) Professional Services Contracts or amendments to Professional Services Contracts previously approved by the Board
 - a) ~~Executive Director~~ ~~Interim Administrator~~ or designee limit up to \$50,000
 - b) Board at \$50,000 or above
- iv) Emergency Expenditures – an emergency purchase is an immediate and serious need for supplies or services that cannot be met through normal procurement methods, the lack of which would seriously threaten the functioning of the Authority, the preservation or protection of property or the health or safety of any person. Written justification for any emergency procurement shall be prepared within one working day after the procurement.
 - a) ~~Executive Director~~ ~~Interim Administrator~~ may approve emergency expenditures that exceed the delegated authority of \$50,000, which must be justified and communicated in writing as soon as practicable to the Board for its approval and ratification by at least a four-fifths (4/5ths) vote within seven (7) days of the action or at the Board’s next regularly scheduled meeting if that meeting will occur within 14 days after the action.
- v) Public Works Contracts, Capital Acquisitions, or Other Capital Expenditures within the scope of a previously approved project by the Board

- a) ~~Executive Director Interim Administrator~~ or designee limit up to \$50,000
- b) Board at \$50,000 or above
- vi) Funding Amendments to Capital or Non-Capital Projects and Public Works Contracts, Capital Acquisitions, or other Capital Expenditures not within the scope of a previously approved project by the Board
 - a) ~~Executive Director Interim Administrator~~ or designee limit up to \$25,000
 - b) Board at \$25,000 or above
 - c) Any such expenditures by the ~~Executive Director Interim Administrator~~ would be reported to the Board at the next available meeting.
- vii) Change Orders on Projects Previously Approved by the Board:
 - a) The ~~Executive Director Interim Administrator~~ or designee, shall have authority to approve any Change Order on a project previously approved by the Board so long as: (a) the total contract amount, including any contingency funding, with such Change Order amount and any prior Change Orders, does not exceed one hundred ten percent (110%) of the total contract amount previously approved by the Board; or (b) the amount of that individual Change Order does not exceed \$50,000.00; provided, however, that a Change Order shall not be approved without the Board's approval if that Change Order would result in the specific project exceeding its approved budget.
 - b) Board approval is required for any Change Order on a project it has previously approved if: (a) that Change Order will result in the specific project exceeding its approved budget; (b) the Change Order will result in the total contract amount, including any contingency funding, with such Change Order amount and any prior Change Orders, exceeding one hundred ten percent (110%) of the total contract amount previously approved by the Board; or (c) the amount of that individual Change Order exceeds \$50,000.00.

5. Purchasing Procedures

Purchases of goods, materials, supplies, equipment, maintenance, repair, operations and construction services shall be made utilizing the procedures specified in this section, based upon the expected dollar amount of the purchase or contract. ~~For so long as Contra Costa Water District serves as the Authority's Administrator, these procedures shall be applied in accordance with its purchasing policies and procedures.~~ The ~~Executive Director Interim Administrator~~ shall follow these procedures.

A. Procurements of \$2,000 or less: The purchasing staff member shall ensure the Authority's best interests are protected, but no formal procurement process is required. ~~Such purchases shall be made in accordance with the Interim Administrator's procedures.~~ Procurements in this category must be approved and authorized by the ~~Executive Director. Interim Administrator.~~

B. Procurements between \$2,001 and \$5,000 (excluding taxes and freight): A minimum of two competitive quotes shall be received, which may be in writing, by internet or by telephone, and the procurement shall be awarded to the lowest responsible respondent. Documentation of the quotes received

shall be included with any purchase requisition as part of the procurement process. Procurements in this category must be approved and authorized by the Executive Director. ~~Interim Administrator.~~

C. Procurements between \$5,001 and \$10,000 (excluding taxes and freight): A minimum of three competitive quotes shall be received, which may be in writing, by internet or by telephone and the procurement shall be awarded to the lowest responsible respondent. Documentation of the quotes received shall be included with any purchase requisition as part of the procurement process. Where appropriate, such procurements shall include written scopes of work, a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. Procurements in this category must be approved and authorized by the Executive Director. ~~Interim Administrator.~~

D. Procurements between \$10,001 and \$20,000 (excluding taxes and freight): A minimum of three informal bids shall be obtained by advertisement, in the Authority's discretion, in a periodical, newspaper, on-line bid publishing site or Authority website. Any such bids shall be written specifically for the Authority and not be obtained via an internet website or by telephone. Bids must be submitted in sealed envelopes and the sole basis of award is the lowest responsive responsible bidder. Such procurements shall include written scopes of work, technical specifications and/or drawings (if applicable), a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. Payment and/or faithful performance bonds and contractor safety training shall be required if applicable based on the nature of the procurement. Procurements in this category must be approved and authorized by the Executive Director. ~~Interim Administrator.~~

E. Procurements between \$20,001 and \$100,000 (excluding taxes and freight): A formal invitation to bid process will be followed to obtain the lowest responsive, responsible bidder or price. Invitations to bid are publicly advertised, with bids submitted in sealed envelopes with a formal public bid opening. The Authority shall determine the appropriate means to advertise the invitation bid, including in a periodical, newspaper, on-line bid publishing site and/or Authority website. Formal bid documents shall include written scopes of work, technical specifications and/or drawings (if applicable), standard details, a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. If applicable, the bid package should also include contractor licensing, payment and/or faithful performance bonds and contractor safety training requirements. Procurements in this category must be approved and authorized by the Executive Director. ~~Interim Administrator.~~

F. Procurements over \$100,000 (excluding taxes and freight): A formal invitation to bid process will be followed to obtain the lowest responsive, responsible bidder or price. Invitations to bid are publicly advertised, with bids submitted in sealed envelopes with a formal public bid opening. The Authority shall determine the appropriate means to advertise the invitation bid, including in a periodical, newspaper, on-line bid publishing site and/or Authority website. Procurements in this category must be approved and authorized by the Authority's Board of Directors. Contracts of more than \$100,000 shall include the following:

1. -Scope of work in sufficient detail to clearly define the specific service or deliverable to be provided;
2. Schedule for start and completion of work;
3. Responsibilities of the respective parties under the contract;
4. All Authority insurance and indemnification provisions;
5. Prevailing wage rate requirements under the contract;

6. Subcontractor or assignability of the contract;
7. Defined cost or contract value with progress payments, if applicable;
8. All other relevant or necessary information;
9. A project/contract file will be maintained by the appropriate staff for the necessary documentation; and
10. Changes to the contract, including scope of work or price, shall be in writing and approved as specified in this policy

6. Sole Source Purchases

A. Definition: Sole source purchases are utilized where no secondary or additional source is reasonably available, which precludes the use of a competitive process. Sole source procurement means that a specific brand or trade name is specified in an invitation to bid that may not be substituted with another brand or trade name. Sole source purchases are normally utilized when a specific good, material or equipment is available from only one supplier under the prevailing circumstances. The ~~Executive Director Interim Administrator~~ may make sole source procurements, including, but not limited to, the following circumstances:

1. Where compatibility of equipment, accessories or replacement parts is the paramount consideration;
2. Where public utility services are to be procured;
3. Where a sole supplier’s item is needed for trial use or testing;
4. Where a used item is offered at a bargain price and subject to prior sale; or
5. Where a cooperative purchasing agreement has been developed with another public agency or cooperative that utilized a competitive selection process and has recognized government pricing.

B. Documentation: Any sole source procurement must be justified in writing, in the form of justification memo, in advance of the purchase and must be approved in writing by the ~~Executive Director Interim Administrator~~.

C. Reporting: Any staff member who desires to award a sole source procurement must provide the ~~Executive Director Interim Administrator~~ with the sole source justification memo. Any sole source procurement that exceeds the ~~Executive Director's Interim Administrator's~~ delegated authority must be authorized by the Board of Directors.

Expenditure Limitations and Purchase Authority Matrix

	Interim Administrator Executive Director or Designee	Board
Non-Routine Operating Expenses or Items not previously reviewed by the Board	Up to \$50,000	\$50,000 or above
Professional services contracts or amendments to professional service contracts previously approved by the Board	Up to \$50,000	\$50,000 or above

Public works contracts, capital acquisitions, or other capital expenses within the scope of a previously approved project by the Board	Up to \$50,000	\$50,000 or above
Amendments to capital or non-capital projects, public works contracts, capital acquisitions, or other capital expenses not within the scope of a previously approved project by the Board	Up to \$25,000	\$25,000 or above
Change Order on a project previously approved by the Board	Up to \$50,000 (see Section (vii) of Policy for limitations)	\$50,000 or above (see Section (vii) of Policy for conditions)
CCWD monthly invoice	Not subject to the above limitations	
Budgeted routine operating expenditure types or Items (i.e., utilities, materials, supplies, maintenance work, and regulatory fees and taxes previously reviewed by the Board during the budgeting process)	Interim Administrator Executive Director or designee for the full amount without additional review. <u>As applicable,</u> internally CCWD will limit designated authority to up to \$5,000 at its manager level.	

RESOLUTION NO. 11-22-02

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS RESERVOIR
JOINT POWERS AUTHORITY ADOPTING AMENDED PURCHASING POLICY**

WHEREAS, at its meeting held on February 9, 2022, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) adopted expenditure limits and a purchasing policy placing expenditure limitations on the appointed Interim Administrator in connection with any proposed expenditure of Authority funds; and

WHEREAS, on September 14, 2022, the Authority’s Board of Directors engaged an Executive Director to oversee the Authority’s operations and now desires to amend the Authority’s Purchasing Policy and Expenditure Limits, to provide spending authority to the Executive Director.

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

1. The Authority’s Board of Directors hereby adopts the Amended Purchasing Policy and Expenditure Limits attached to this Resolution as Exhibit “A” establishing the expenditure limitations and purchasing authority of the Authority’s Executive Director, including those purchases deemed necessary during emergency conditions or other similar conditions where the ability to respond quickly is imperative to the Authority’s operations.

2. During any emergency conditions, as specified in the attached policy, the Authority’s Board of Directors authorizes the Executive Director to direct purchases essential to the Authority’s operations in excess of the Executive Director’s expenditure limits. Such action shall require the Executive Director’s declaration of an emergency to be approved and ratified by the Authority’s Board of Directors within ten (10) days, or as soon as practicable, after the emergency event. All expenditures and purchases made in excess of the Executive Director’s authority limit shall be approved and ratified by the Board of Directors as soon as practicable after the emergency event.

3. This Resolution shall become effective immediately upon its approval and adoption by the Authority’s Board of Directors.

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 9th day of November, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

Attest:

Ellen Wehr, Secretary

EXHIBIT A

PURCHASING POLICY AND EXPENDITURE LIMITS

PURPOSE

The purpose of this Policy is to establish a comprehensive set of purchasing policies for the Los Vaqueros Reservoir Joint Powers Authority (“Authority”) that will assure continuity and uniformity in its purchasing operations and provide guidelines for purchasing supplies and services.

1. Policy

The Authority is committed to purchasing supplies, services and equipment in a fair, open and equitable manner that provides the best overall value to the Authority. Each person responsible for the procurement of goods and services for the Authority must follow these guidelines.

2. Conflict of Interest

No Director, officer or staff member of the Authority shall participate in the process of purchasing any supplies, services and equipment, or participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- A Director, officer or staff member;
- Any member of his or her immediate family;
- His or her partner; or
- An organization that employs, or is about to employ, any of the above:

has a financial interest in the firm or organization selected for award of such a contract for supplies, services, or equipment. For purposes of this Policy, the definition of “financial interest” included in the Fair Political Practices Commission’s regulations is hereby incorporated by this reference.

No Director, officer or staff member of the Authority may accept, directly or indirectly, any gift, rebate, money, or anything else of value whatsoever from any person or entity if the gift, rebate, money or item of value is intended as a reward or inducement for conducting business, placing orders with, or otherwise using the Director’s, officer’s or staff member’s position to favor the contributor.

No Director, officer or staff member of the Authority shall aid or assist a vendor or bidder in securing a contract to furnish commodities, equipment or services, or, favor one vendor or bidder over another, or give or withhold information from any vendor or bidder not given or withheld from all other vendors or bidders, or willfully mislead any vendor or bidder in regards to an offer or bid specification, or knowingly certify to a greater level of service performed, or commodities or equipment furnished, than has respectively been performed or received. Any Director or Alternate Director who has had any communication or contact with a vendor or bidder who is under consideration by the Authority for award of a contract shall disclose such communication or contact to the Board prior to the Board’s consideration of the award of that contract.

3. General Provisions

The basic purchasing policy of the Authority is to obtain goods and services for its operations at the lowest possible overall cost, while ensuring such goods and/or services are of acceptable quality. This includes maintaining a purchasing system that ensures maximum use of fair and open competition and receipt of the best value for funds available, consistent with applicable laws and regulations. In the event of any conflict between this Policy and the Public Contract Code, the provisions of the Public Contract Code shall control. Purchasing responsibility and authority shall be delegated to a level consistent with good business practice and sound financial management policy.

The following apply to all purchases made by the Authority:

- A. No purchase will be approved or undertaken unless an appropriation has been established, either through the adopted annual budget or Board approval of additional appropriations. It is the responsibility of the Executive Director to maintain control of budgets that have been designated as their responsibility.
- B. All purchases shall be of the quality deemed necessary to suit the intended purpose.
- C. Competitive bidding is established based on type of purchase and/or established dollar limits, as specified in Section 5, below. To the extent competitive bidding is required by this Policy, or, if in the discretion of the Executive Director competitive bidding is deemed to serve the best interests of the Authority, the Executive Director shall have the sole and exclusive authority to determine the manner in which the competitive bidding process shall be undertaken, with the objective that the bid process be fair and open to qualified bidders in order to obtain the best value for the Authority.
- D. Purchases shall not be split to avoid required procedures or established dollar limits. Purchases of like items or services should be considered on an annual basis.
- E. The Authority strives to integrate and balance environmental, equity, diversity and economic objectives into its decision-making, policies, programs and work practices regarding purchasing of goods and services. The Authority will consider making sustainable purchases where possible.
- F. The emergency purchase of goods is authorized as specified below.
- G. The Executive Director shall report all expenditures over \$2,500.00 to the Board of Directors.

4. Purchasing and Approval Authority

Purchasing authority is defined as the authority to make a purchase or enter into an agreement once all applicable purchasing procedures have been followed. The Board of Directors (“Board”) delegates purchasing and approval authority in certain amounts as specified in this Policy to the Executive Director. The Executive Director may then delegate appropriate authority to staff as outlined in this Policy.

- A. **Contra Costa Water District (CCWD) Monthly Invoice**
 - i) The CCWD invoice for monies to be paid by the Authority for Administrator services and other support of the Los Vaqueros Reservoir Expansion Project, including as

specified under the Multi-Party Cost Sharing Agreement, as amended, upon review by the Chair of the Board of Directors, will not be subject to the limitations below.

B. Expenditure Reimbursement Limitations

- i) Budgeted Routine Operating Expenditure Types or Items (routine budgeted expenditure types or items like utilities, materials, supplies, maintenance work, and regulatory fees and taxes previously reviewed by the Board in the budgeting process)
 - a) Executive Director or their respective designee may approve the full amount without additional approval but to be included in the financial reporting of the Authority to the Board.
 - b) Internally, CCWD will limit designated authority to conform to its purchasing policy
- ii) Non-Routine Operating Expenses or items not previously reviewed by the Board in the budgeting process
 - a) Executive Director or designee limit up to \$50,000
 - b) Board at \$50,000 or above
- iii) Professional Services Contracts or amendments to Professional Services Contracts previously approved by the Board
 - a) Executive Director designee limit up to \$50,000
 - b) Board at \$50,000 or above
- iv) Emergency Expenditures – an emergency purchase is an immediate and serious need for supplies or services that cannot be met through normal procurement methods, the lack of which would seriously threaten the functioning of the Authority, the preservation or protection of property or the health or safety of any person. Written justification for any emergency procurement shall be prepared within one working day after the procurement.
 - a) Executive Director may approve emergency expenditures that exceed the delegated authority of \$50,000, which must be justified and communicated in writing as soon as practicable to the Board for its approval and ratification by at least a four-fifths (4/5ths) vote within seven (7) days of the action or at the Board’s next regularly scheduled meeting if that meeting will occur within 14 days after the action.
- v) Public Works Contracts, Capital Acquisitions, or Other Capital Expenditures within the scope of a previously approved project by the Board
 - a) Executive Director or designee limit up to \$50,000
 - b) Board at \$50,000 or above

- vi) Funding Amendments to Capital or Non-Capital Projects and Public Works Contracts, Capital Acquisitions, or other Capital Expenditures not within the scope of a previously approved project by the Board
 - a) Executive Director or designee limit up to \$25,000
 - b) Board at \$25,000 or above
 - c) Any such expenditures by the Executive Director would be reported to the Board at the next available meeting.
- vii) Change Orders on Projects Previously Approved by the Board:
 - a) The Executive Director or designee, shall have authority to approve any Change Order on a project previously approved by the Board so long as: (a) the total contract amount, including any contingency funding, with such Change Order amount and any prior Change Orders, does not exceed one hundred ten percent (110%) of the total contract amount previously approved by the Board; or (b) the amount of that individual Change Order does not exceed \$50,000.00; provided, however, that a Change Order shall not be approved without the Board's approval if that Change Order would result in the specific project exceeding its approved budget.
 - b) Board approval is required for any Change Order on a project it has previously approved if: (a) that Change Order will result in the specific project exceeding its approved budget; (b) the Change Order will result in the total contract amount, including any contingency funding, with such Change Order amount and any prior Change Orders, exceeding one hundred ten percent (110%) of the total contract amount previously approved by the Board; or (c) the amount of that individual Change Order exceeds \$50,000.00.

5. Purchasing Procedures

Purchases of goods, materials, supplies, equipment, maintenance, repair, operations and construction services shall be made utilizing the procedures specified in this section, based upon the expected dollar amount of the purchase or contract. The Executive Director shall follow these procedures.

A. Procurements of \$2,000 or less: The purchasing staff member shall ensure the Authority's best interests are protected, but no formal procurement process is required. Procurements in this category must be approved and authorized by the Executive Director.

B. Procurements between \$2,001 and \$5,000 (excluding taxes and freight): A minimum of two competitive quotes shall be received, which may be in writing, by internet or by telephone, and the procurement shall be awarded to the lowest responsible respondent. Documentation of the quotes received shall be included with any purchase requisition as part of the procurement process. Procurements in this category must be approved and authorized by the Executive Director.

C. Procurements between \$5,001 and \$10,000 (excluding taxes and freight): A minimum of three competitive quotes shall be received, which may be in writing, by internet or by telephone and the procurement shall be awarded to the lowest responsible respondent. Documentation of the quotes

received shall be included with any purchase requisition as part of the procurement process. Where appropriate, such procurements shall include written scopes of work, a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. Procurements in this category must be approved and authorized by the Executive Director.

D. Procurements between \$10,001 and \$20,000 (excluding taxes and freight): A minimum of three informal bids shall be obtained by advertisement, in the Authority's discretion, in a periodical, newspaper, on-line bid publishing site or Authority website. Any such bids shall be written specifically for the Authority and not be obtained via an internet website or by telephone. Bids must be submitted in sealed envelopes and the sole basis of award is the lowest responsive responsible bidder. Such procurements shall include written scopes of work, technical specifications and/or drawings (if applicable), a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. Payment and/or faithful performance bonds and contractor safety training shall be required if applicable based on the nature of the procurement. Procurements in this category must be approved and authorized by the Executive Director.

E. Procurements between \$20,001 and \$100,000 (excluding taxes and freight): A formal invitation to bid process will be followed to obtain the lowest responsive, responsible bidder or price. Invitations to bid are publicly advertised, with bids submitted in sealed envelopes with a formal public bid opening. The Authority shall determine the appropriate means to advertise the invitation bid, including in a periodical, newspaper, on-line bid publishing site and/or Authority website. Formal bid documents shall include written scopes of work, technical specifications and/or drawings (if applicable), standard details, a project schedule or timeline, appropriate insurance and indemnification and standard Authority terms and conditions. If applicable, the bid package should also include contractor licensing, payment and/or faithful performance bonds and contractor safety training requirements. Procurements in this category must be approved and authorized by the Executive Director.

F. Procurements over \$100,000 (excluding taxes and freight): A formal invitation to bid process will be followed to obtain the lowest responsive, responsible bidder or price. Invitations to bid are publicly advertised, with bids submitted in sealed envelopes with a formal public bid opening. The Authority shall determine the appropriate means to advertise the invitation bid, including in a periodical, newspaper, on-line bid publishing site and/or Authority website. Procurements in this category must be approved and authorized by the Authority's Board of Directors. Contracts of more than \$100,000 shall include the following:

1. Scope of work in sufficient detail to clearly define the specific service or deliverable to be provided;
2. Schedule for start and completion of work;
3. Responsibilities of the respective parties under the contract;
4. All Authority insurance and indemnification provisions;
5. Prevailing wage rate requirements under the contract;
6. Subcontractor or assignability of the contract;
7. Defined cost or contract value with progress payments, if applicable;
8. All other relevant or necessary information;
9. A project/contract file will be maintained by the appropriate staff for the necessary documentation; and

10. Changes to the contract, including scope of work or price, shall be in writing and approved as specified in this policy

6. Sole Source Purchases

A. Definition: Sole source purchases are utilized where no secondary or additional source is reasonably available, which precludes the use of a competitive process. Sole source procurement means that a specific brand or trade name is specified in an invitation to bid that may not be substituted with another brand or trade name. Sole source purchases are normally utilized when a specific good, material or equipment is available from only one supplier under the prevailing circumstances. The Executive Director may make sole source procurements, including, but not limited to, the following circumstances:

1. Where compatibility of equipment, accessories or replacement parts is the paramount consideration;
2. Where public utility services are to be procured;
3. Where a sole supplier’s item is needed for trial use or testing;
4. Where a used item is offered at a bargain price and subject to prior sale; or
5. Where a cooperative purchasing agreement has been developed with another public agency or cooperative that utilized a competitive selection process and has recognized government pricing.

B. Documentation: Any sole source procurement must be justified in writing, in the form of justification memo, in advance of the purchase and must be approved in writing by the Executive Director.

C. Reporting: Any staff member who desires to award a sole source procurement must provide the Executive Director with the sole source justification memo. Any sole source procurement that exceeds the Executive Director's delegated authority must be authorized by the Board of Directors.

Expenditure Limitations and Purchase Authority Matrix

	Executive Director or Designee	Board
Non-Routine Operating Expenses or Items not previously reviewed by the Board	Up to \$50,000	\$50,000 or above
Professional services contracts or amendments to professional service contracts previously approved by the Board	Up to \$50,000	\$50,000 or above
Public works contracts, capital acquisitions, or other capital expenses within the scope of a previously approved project by the Board	Up to \$50,000	\$50,000 or above

Amendments to capital or non-capital projects, public works contracts, capital acquisitions, or other capital expenses not within the scope of a previously approved project by the Board	Up to \$25,000	\$25,000 or above
Change Order on a project previously approved by the Board	Up to \$50,000 (see Section (vii) of Policy for limitations)	\$50,000 or above (see Section (vii) of Policy for conditions)
CCWD monthly invoice	Not subject to the above limitations	
Budgeted routine operating expenditure types or Items (i.e., utilities, materials, supplies, maintenance work, and regulatory fees and taxes previously reviewed by the Board during the budgeting process)	Executive Director or designee for the full amount without additional review. As applicable, internally CCWD will limit designated authority to up to \$5,000 at its manager level.	

ITEM 2.3: APPROVAL OF AMENDMENT NO. 4 TO COST SHARING AGREEMENT

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Based on input from the Members' finance staffs, it was determined that the Authority's interim funding needs would be provided in revised Amendment No. 4 to the Multi-Party Cost Share Agreement. Revisions have been made to that amendment to add the Authority as a party but the cost share amount has not changed. Over the past few weeks, the Members have been discussing other changes to the amendment to address various concerns and the Members' staffs have reached agreement on those terms. Deputy Interim Administrator Maureen Martin will review the final draft version of Amendment No. 4 with the Board. Amendment No. 4 needs to be in place before the end of 2022.

ALTERNATIVES:

The Board could revert to the use of the Interim Funding Agreement as an agreement subsequent to Amendment No. 4 but that approach was previously rejected.

FISCAL ANALYSIS:

Members' respective cost share amounts are set forth in Amendment No. 4 at \$1,094,000 per Member (not including Grassland Water District and the Los Vaqueros Reservoir Joint Powers Authority).

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Final draft Amendment No. 4 to Cost Share Agreement

**Amendment No. 4 to the
Cost Share Agreement for
Los Vaqueros Reservoir Expansion Project Planning**

The Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning between Contra Costa Water District (CCWD) and Alameda County Flood Control and Water Conservation District, Zone 7 (Zone 7); Alameda County Water District (ACWD); East Bay Municipal Utility District (EBMUD); Grassland Water District (GWD); San Francisco Public Utilities Commission (SFPUC); San Luis & Delta-Mendota Water Authority (SLDMWA); and Santa Clara Valley Water District (Valley Water) (collectively, “Local Agency Partners”), dated April 30, 2019 and amended on June 22, 2020, December 2, 2020, and November 1, 2021 (referred to hereafter as the “Agreement”), shall hereby be amended by this Amendment No.4. The Agreement, together with Amendment No. 1, No. 2, and No. 3, and this Amendment No. 4, may be referenced hereafter as the “Agreement as amended”.

RECITALS

WHEREAS, Contra Costa Water District and the Local Agency Partners (collectively, “Parties”) entered into the Agreement dated April 30, 2019, to provide for the cost-sharing of the funding requirements for the planning of the Los Vaqueros Reservoir Expansion Project (“Project”); and

WHEREAS, pursuant to Sections 5 and 17 of the Agreement, the Parties amended the Agreement on June 22, 2020, December 2, 2020, and November 1, 2021 which amendments, among other modifications, collectively extended the term of the Agreement to the earlier of (i) the completion of the work contemplated therein, (ii) until [the] Agreement is superseded by an interim funding agreement negotiated among the members of Los Vaqueros Reservoir Joint Powers Authority, or (iii) December 31, 2022, unless the term is further modified consistent with Section 17 of the Agreement; and

WHEREAS, on October 20, 2021, formation of the Los Vaqueros Reservoir Joint Powers Authority (the “JPA”) was completed and filed with the California Secretary of State; and

WHEREAS, on June 8, 2022 the JPA adopted the budget for fiscal year 2023 (July 1, 2022 to June 30, 2023); and

WHEREAS, the Parties have collectively paid over \$12,000,000 to date in addition to in-kind services to support work as provided in the Agreement; and

WHEREAS, Amendment No. 3 to this agreement funds work through December 31, 2022 and further amendment is needed to fund activities January 1, 2023 through June 30, 2023;

WHEREAS, at the time of this Amendment, the JPA does not have banking services in place and therefore must continue to rely on CCWD to provide those services; and

WHEREAS, the Parties wish to again amend the Agreement to: (1) further extend the term of the Agreement as provided for herein; (2) replace the Scope of Work and Budget for the activities funded by Amendment No. 3 with the revised Scope of Work and Budget for activities funded by this Amendment No. 4, attached and incorporated herein as Exhibits A-4 and B-4, respectively; (3) amend the cost and payment and federal funding terms of the Agreement as provided herein; (4) add the JPA as a Party to the Agreement, but without any financial obligation for payments hereunder; and (5) include an additional purpose in Section 1 of

the agreement and additional roles and responsibilities of certain Parties of Section 2 of the Agreement as provided herein;

NOW, THEREFORE, the Parties agree that the above recitals are incorporated in and made part of the Agreement, and, pursuant to Section 17 of the Agreement, do hereby amend the Agreement as follows:

1. Section 1 (Purpose)

In addition to the purposes a through s, as provided for in the Agreement as amended, the following purpose shall be included:

- t) development of agreements shown in the Scope of Work, including but not limited to the facilities usage agreements and service agreements in which Capacity Usage Rights in Project facilities will be defined.

As of the effective date of Amendment No. 4 to the Agreement, Purposes a, b, c, d, f, g, j, l, m, and o as provided for in the Agreement, have been achieved and do not require additional funding.

Work to achieve Purposes e, h, i, k, n, p, q, r, s and t will be advanced under the Agreement as amended. Work completed by the Consultant Team, the JPA and CCWD staff to achieve these purposes will be partially funded by this Amendment No. 4 to the Agreement.

A detailed revised Scope of Work and Budget for activities funded by this Amendment No. 4 are included in Exhibit A-4 and Exhibit B-4, respectively, which are attached hereto and incorporated herein as if fully set forth in this Amendment No. 4 to the Agreement.

2. Section 2 (Roles & Responsibilities)

In addition to the existing roles and responsibilities of the Parties as described in the Agreement, the following additional roles and responsibilities for certain Parties shall be included in the Agreement as amended.

2.1 Contra Costa Water District Responsibilities

- a-gg as described in the Agreement;
- hh) develop a facility usage agreement under which CCWD is expected to convey Capacity Usage Rights in Project facilities to the JPA.

2.2 East Bay Municipal Utility District Responsibilities

- a-s as described in the Agreement
- t) develop a facility usage agreement under which EBMUD is expected to convey Capacity Usage Rights in Project facilities to the JPA

2.9 Los Vaqueros Reservoir Joint Powers Authority Responsibilities

The JPA will complete the following tasks:

- a) Procure Program Management Consultant Team with agreed upon compensation.
- b) Procure banking and other financial services, including engagement of an outside auditor.
- c) Procure general liability and errors and omissions insurance and other insurance determined by the JPA Board of Directors to be necessary and appropriate.

- d) Draft and execute Service Agreements with its members, and other agreements as shown in the Scope of Work, provided for under the JPA's Joint Exercise of Powers Agreement, or otherwise determined to be necessary.
- e) Pending an invitation from the U.S. Environmental Protection Agency, apply for a WIFIA loan and undertake related activities in connection with that loan, including, but not limited to, obtaining required credit rating(s).
- f) Continue with the ongoing administration of the JPA, including, but not limited to, conducting all Board of Directors' and committee meetings.

3. Section 3 (Cost & Payment)

Section 3 shall be amended such that the following terms shall, as applicable, supersede the corresponding terms in the Agreement in their entirety.

The payment is intended to provide sufficient funding for advancing the completion of the additional Scope of Work as provided for in Exhibit A-4 and the Budget provided for in Exhibit B-4.

- a) Total costs to fund work hereunder are identified in Exhibit B-4. The CCWD and Local Agency Partners' collective total share of the cost, for work funded through this Amendment, shall not exceed \$7,658,000 ("Total Cost Share").
- b) Notwithstanding anything to the contrary in the Agreement as amended, CCWD and the Local Agency Partners, excluding GWD and the JPA, shall be responsible for providing the Total Cost Share in accordance with Exhibit B-4. In no event shall any Party's individual share of the Total Cost Share exceed \$1,094,000, excluding GWD and the JPA. Timing and quantity of payment for each Party shall not vary from what is put forth in Exhibit B-4 unless CCWD and the Local Agency Partners voluntarily agree to modifications pursuant to Sections 3(d)(iv) and 17 of the Agreement. The Total Cost Share described herein is exclusive of any joint defense or litigation cost share amounts which may be determined in a subsequent written agreement entered into pursuant to Section 9 of the Agreement.
- c) City and County of San Francisco – Specific Terms
 - i. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. The SFPUC's payments as a Local Agency Partner under the Agreement as amended are subject to and contingent upon the budget and fiscal provisions of the Charter of the City and County of San Francisco (City). Charges will accrue only after prior written authorization certified by the City's Controller, and the amount of the SFPUC's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. The SFPUC's financial obligations under this Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, the SFPUC's financial obligations under this Agreement will terminate, without penalty, liability or expense of any kind to City at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. As to the SFPUC only, this Section 3(c)(i) controls against any conflicting provision of the Agreement as amended.

- ii. **Guaranteed Maximum Costs.** The SFPUC's payment obligation to CCWD cannot at any time exceed the amount certified by City's Controller for the purpose and period stated in such certification. Absent an authorized Emergency per the City Charter or applicable Code, no City representative is authorized to offer or promise, nor is the City required to honor, any offered or promised payments to CCWD under this Agreement in excess of the certified maximum amount without the Controller having first certified the additional promised amount and, if necessary, the Parties having modified this Agreement as provided in Section 17 of this Agreement.
 - iii. **Prohibition on Use of Public Funds for Political Activity.** In performing work under this Agreement as amended, the recipient of City funds shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement as amended from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. The recipient of City funds is subject to the enforcement and penalty provisions in Chapter 12G.
- d) CCWD and the Local Agency Partners will split the Total Cost Share equally. CCWD will invoice each of the Local Agency Partners, and itself, for their individual shares of the Total Cost Share detailed in Exhibit B-4.
- (i) One invoice is anticipated according to the schedule below:
 - 1. January 3, 2023
 - (ii) Payment from the Local Agency Partners shall be remitted within sixty (60) days after invoice submittal.
 - (iii) Funds contributed by the Local Agency Partners shall be committed by CCWD and expended only for work required to further the purposes of this Agreement.
 - (iv) If a sufficient number of Parties withdraw from the Agreement such that the Local Agency Partners' individual cost shares change substantially, or the individual cost shares approach or exceed the maximum financial responsibility for each Party (determined herein as \$1,094,000), each remaining Local Agency Partner, at its sole discretion consistent with Section 3(b) of this Agreement, shall determine whether to withdraw from the Agreement. CCWD and the Local Agency Partners who do not choose to withdraw will work together to develop an amendment that substantially conforms to this Agreement. If no mutually agreeable amendment can be developed, the remaining Parties will terminate this Agreement.

- (v) If a new Local Agency Partner is added, consistent with Section 12 of this Agreement, each subsequent invoice for each Local Agency Partner will be adjusted to reflect the cost share of the new partner and the total number of Local Agency Partners. The adjustments contemplated herein shall reflect any “catch-up” contribution required of the newly added Local Agency Partner in addition to the contributions to be made on a prospective basis. “Catch-up” contributions shall be calculated based on the then total value of the of the Local Agency Partners’ individual monetary shares paid pursuant to the Agreement as amended prior to the date of the new member’s signing of the Agreement.
- (vi) If funds remain after work under this Agreement is completed, each Local Agency Partner will determine whether its pro-rata share of the remaining funds shall be returned or contributed to future work consistent with Section 7 of this Agreement. Each Local Agency Partner shall advise CCWD of its determination within sixty (60) days of receiving notice from CCWD of the completion of the work, or the remaining funds shall automatically be contributed towards future work.
- (vii) In-kind services may include labor costs and overhead costs for staff who are providing in-kind services for Project activities under this Agreement, including but not limited to data collection, document review, communications, stakeholder outreach, management of third-party consultant contracts, and attending Project meetings. In-kind services will contribute toward the non-State funding match required by the Early Funding Agreement, as it may be amended from time to time. In-kind services, pursuant to Section 2.7(d) of this Agreement, are contributed at the discretion of each Local Agency Partner with no minimum or maximum in-kind contribution limits.

4. Section 5 (Term)

Section 5 shall be amended such that the following term shall modify the corresponding term in the Agreement as amended:

The Agreement as amended shall terminate on the earliest occurring of the following events: (i) completion of the work contemplated herein; or (ii) June 30, 2023, unless the Term is further modified consistent with Section 17 of this Agreement.

5. Section 11 (Federal Funding)

Section 11 shall be amended such that the following term shall supersede and replace the corresponding term in the Agreement in its entirety:

With support from the Local Agency Partners, CCWD is seeking up to 25% cost share in federal funding through the Water Infrastructure Improvements for the Nation (WIIN) Act, Bipartisan Infrastructure Law, or other federal legislation. CCWD has executed an Assistance Agreement for the provision of up to \$7.2 million in federal funding for pre-construction activities. If additional federal funding for the Project is appropriated by Congress, Reclamation would receive the requested funding and the funds would support ongoing work. A portion of the federal funds will be directly applied to the scope of work

contained in Exhibit A-4. The federal funds will be credited towards any Non-Program Cost Share as required in the Early Funding Agreement as described in Section 10 of this Agreement.

Effective date of Amendment No. 4.

Amendment No. 4, including the financial contribution provisions herein, shall be effective as of the date of signature by CCWD and the JPA and that effective date shall apply retroactively to each subsequent Local Agency Partner signatory.

Except as amended by this Amendment No. 4, the Agreement as previously amended shall continue in full force and effect. This Amendment No. 4 may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute Amendment No. 4. The parties agree to the use of electronic, scanned, and facsimile signatures.

Ed Stevenson, General Manager
Alameda County Water District

Date

Rachel Murphy, General Manager
Contra Costa Water District

Date

Clifford C. Chan, General Manager
East Bay Municipal Utility District

Date

Ric Ortega, General Manager
Grassland Water District

Date

Taryn Ravazzini, Executive Director
Los Vaqueros Reservoir Joint Powers Authority

Date

Dennis J. Herrera, General Manager
San Francisco Public Utilities Commission

Date

Approved as to Form
Deputy City Attorney, San Francisco

Date

Federico Barajas, Executive Director
San Luis & Delta-Mendota Water Authority

Date

Rick L. Callender, Esq., Chief Executive Officer
Santa Clara Valley Water District

Date

Valerie Pryor, General Manager
Zone 7 Water Agency

Date

Exhibit A-4

Amendment No. 4 Scope of Work

The following tasks describe the work efforts by Contra Costa Water District (CCWD), consultants for the Los Vaqueros Reservoir Expansion (LVE) Project, and the Local Agency Partners (as indicated) under this Amendment No. 4 to the Agreement. References to joint work efforts by Reclamation are described as appropriate, but are not intended to imply that Reclamation is a party to this Amendment. CCWD will be supported by the consultant and legal services team that are under contract to CCWD and managed by CCWD.

Task 1 Project Management

Task 1.1 Funding Agreement Administration

Administer the Early Funding Agreement executed by CCWD and the California Water Commission (CWC), including meeting reporting and invoicing requirements of the Early Funding Agreement, coordinating with CWC staff as needed to respond to questions and data requests, and managing cost commitments. Provide financial statements and other supporting documentation as requested by the CWC staff pertaining to the Early Funding Agreement.

Administer the Assistance Agreement executed by CCWD and Reclamation, including meeting reporting and invoicing requirements of the Assistance Agreement, and coordination with Reclamation staff as needed to respond to questions, data requests, or other inquiries.

Prepare quarterly progress reports detailing work completed in prior quarter in accordance with Water Storage Investment Program (WSIP) requirements, Cost Share MOA with Reclamation, and the Assistance Agreement with Reclamation. Progress reports will explain the status of the Project and will include the following information: summary of the work completed for the project during the reporting period; activities and milestones achieved; and accomplishments and any problems encountered in the performance of work.

Prepare monthly invoices meeting the invoice content terms of the Early Funding Agreement, the Cost Share MOA with Reclamation, and the Assistance Agreement, including relevant supporting documentation for submittal to the CWC and Reclamation. Coordinate with consultants and Local Agency Partners to prepare and submit sufficient backup documentation to support claimed costs.

Deliverables:

- Invoices and associated backup documentation
- Quarterly Progress Reports (for CWC and Reclamation)

Task 1.2 Project Management Activities

This task includes project management activities performed by CCWD, Local Agency Partners, consultants, and other agencies related to, but not limited to, managing staff, invoicing, budgeting, scheduling, procuring consultants and technical services, reviewing submittals, holding meetings and conference calls, and coordinating and reporting project activities that are within the objectives of the Project and of this Agreement.

Deliverables:

- Summary updates on project management activities in Quarterly Progress Reports

Task 1.3 Joint Powers Authority Formation

This task has been completed.

Task 1.4 JPA Administration

CCWD will transition its responsibilities as the initial Administrator to the Executive Director, but will continue to oversee and manage any consultants of the Authority and will report to the Board until such time that the JPA has the capacity to administer such contracts and provide that oversight.

The JPA will competitively procure a Program Management Consultant Team, banking services, insurance, and other financial services, such as an auditor. The JPA will continue with necessary actions related to its administration, including conducting Board of Directors' and committee meetings. The JPA will take all actions necessary to procure a loan under the U.S. Environmental Protection Agency's (USEPA) WIFIA Loan program, which will include preparation of an application if the JPA is invited by the USEPA to apply and obtaining required credit rating(s), among other necessary tasks.

Legal counsel will work with the legal workgroup to develop all agreements that the JPA will enter into including but not limited to interim funding agreement, service agreements, state and federal funding agreements, contracts to procure services, contracts for administration of public benefits with CDFW and DWR, design and construction agreements with CCWD and EBMUD, usage agreements with CCWD and EBMUD, operations and maintenance agreements with CCWD and EBMUD.

Deliverables:

- Service agreements
- Continued funding through Multi-Party Cost Share Agreement amendments or Interim Funding Agreement
- WIFIA Loan Application
- Agreements between JPA and State/Federal Agencies
 - Contract for Administration of Public Benefits
- Agreements between the JPA and CCWD
 - Technical Services Agreement
 - Facility Usage Agreement
 - Design and construction agreement
- Agreements between the JPA and EBMUD
 - Facility Usage Agreement
 - Design and construction agreement

Task 2 Environmental Planning

Task 2.1 Modeling

Modeling tasks to support preparation of the Final Supplement to the Final EIS/EIR were completed previously. Develop new or modify existing modeling tools so that operations or limitations of various operational priorities can be evaluated in terms of benefits to partners. Refine the model to track terms and requirements of various water rights. Refine the Los Vaqueros daily operations model to accommodate partner operations, which may serve as a tracking tool in the future for permit reporting, billing, scheduling deliveries, etc.

Deliverables:

- Revised CalSim Model (ongoing)
- Summaries of modeling results (ongoing)

Task 2.2 Public Outreach

Perform outreach activities to educate and inform the media, elected officials, CCWD ratepayers, communities in the Los Vaqueros area, environmental organizations, and regional and statewide interests about the purpose, objectives, and results of the technical studies.

Respond to routine stakeholder comments. Post responses as appropriate to the CCWD hosted project website at ccwater.com and losvaquerosjpa.com or share with stakeholders in informal meetings.

A public meeting was previously held in Concord to support the CCWD Board of Directors' certification of the Final Supplement, approval of a project, and adoption of CEQA Findings and MMRP.

Deliverables:

- Stakeholder and public involvement program
- Documentation of outreach activities
- Public meeting(s) for Final Supplement to the Final EIS/EIR (completed)
- Public meetings to support Record of Decision if necessary

Task 2.3 Environmental Document and Technical Studies

The U.S. Department of the Interior, Bureau of Reclamation, Region 10 – California-Great Basin (Reclamation) is the lead agency under the National Environmental Policy Act (NEPA) for preparation of the EIS and, in conjunction with CCWD, the lead agency under CEQA. Reclamation and CCWD previously prepared a joint Final EIS/EIR in March 2010 and CCWD completed construction of the first phase of reservoir expansion from 100,000 acre-feet (100 TAF) to 160 TAF in 2012. Reclamation and CCWD previously prepared a joint Supplement to the Final EIS/EIR document to support the second phase of reservoir expansion up to 275 TAF.

The development of the Supplement to the Final EIS/EIR, including the completion of the necessary technical studies in support of this effort culminating with issuance of the Supplement, were previously completed. The studies and data produced adhered to the federal planning and NEPA guidelines, CEQA guidelines, and WSIP guidance. Technical studies were conducted in accordance with the alternatives identified in the Draft Supplement.

If there are project changes, additional environmental surveys (i.e., aquatic resources, wildlife/botanical, etc.), documentation (i.e., CEQA/NEPA addendum/memo to file) and permitting effort (i.e., application/agreement amendments) may be required.

All agency meetings and technical workgroup meetings required to support the environmental document and studies are described in 0and Task 2.2.

Task 2.3.1 Post-Draft Supplement Technical Studies and Surveys

This task has been completed.

Task 2.3.2 Transfer-Bethany Pipeline Alternative Location Evaluation

This task has been completed.

Task 2.3.3 Final Supplement to the Final EIS/EIR

This task has been completed.

Task 2.3.4 CEQA Findings and Mitigation Monitoring and Reporting Plan

This task has been completed.

Task 2.3.5 Record of Decision

It is anticipated that Reclamation will issue a Record of Decision on the Project during the term of this Amendment. CCWD will provide support to Reclamation with any necessary reporting, public meetings, briefings, white papers, and/or presentations.

Deliverables:

- Record of Decision

Task 2.4 Regulatory Permitting

Prepare documentation of environmental regulatory compliance including the Clean Water Act (CWA) Section 404(b)(1), CWA Section 401, the Federal Endangered Species Act (Section 7), the California Endangered Species Act, Section 1602 of the California Fish and Game Code, the National Historic Preservation Act (NHPA Section 106), and the Fish and Wildlife Coordination Act (FWCA). When possible or beneficial, obtain amendments to existing permits and excess compensation land acquired/managed during the Phase 1 expansion. If not possible to amend existing permits, seek new permits. Coordinate with regulatory agencies to confirm when amendments will be appropriate. In support of this task, several key work efforts (described below) will be completed.

Conduct reconnaissance-level biological field surveys of any new project areas (if any) to identify the potential for the presence of sensitive biological resources. Conduct a desktop analysis including a database search of the California Natural Diversity Data Base (CNDDDB), California Native Plants Society's Inventory of Rare and Endangered Plants, USFWS species lists, and NMFS species lists in order to determine the potential occurrence of special-status plants, animals, and vegetation communities. Conduct site-specific biotic assessments to identify biological resources that are present or have a high likelihood to occur in the study area, and to assess the likely impacts associated with construction and/or long-term operations of the proposed project on biological resources. The results of the reconnaissance survey and analysis will be used to inform the regulatory permitting documents, and resource agency review.

Prepare the regulatory permit applications for the proposed project. Attend meetings with regulatory agencies. Develop supporting technical reports, as needed, to support preparation of proposed permit applications. Permit applications and supporting documents to be prepared in support of the project may include: Biological Assessment for Federal Endangered Species Act compliance and Magnuson Stevens Fisheries Conservation and Management Act compliance; Clean Water Act Section 404/Section 10 Individual Permit Application; Clean Water Act Section 401 Clean Water Act Water Quality Certification Application; California Fish and Game Code Section 1602 Streambed Alteration Agreement Application; Section 2081 California Endangered Species Act Incidental Take Permit Application; Fish and Wildlife Coordination Act Report; National Historic Preservation Act Section 106 compliance; and Aquatic Resources Delineation.

Deliverables:

- Rare plant surveys and report of results (completed)
- Wetland delineation and mapping, report of results (completed)
- Administrative Draft Supplement to the Final EIS/EIR (completed)
- Final Supplement to the Final EIS/EIR (completed)
- Draft CEQA Findings and MMRP (completed)
- Final CEQA Findings and MMRP (completed)
- Permit applications and supporting technical reports, as applicable (in progress)

Task 2.5 Water Rights Permitting

Coordinate with Reclamation, the Department of Water Resources (DWR), Local Agency Partners, and the State Water Resources Control Board (State Water Board) regarding changes to existing water rights. Prepare petitions for change for CCWD's water right permit and assist Reclamation, DWR, and Local Agency Partners with preparation of additional change petitions, as required. File petitions with the State Water Board, assist State Water Board staff with drafting orders and permit amendments as required, respond to any protests that may be filed and seek resolution of those protests, prepare for and participate in hearings as required.

Deliverables:

- Change petitions for CCWD's Los Vaqueros water right (in progress)
- Change petitions for Reclamation's water rights (in progress)
- Change petition(s) for DWR's water rights (in progress)
- Change petition(s) for Local Agency Partners' water rights, as required
- Agreement between EBMUD and CCWD for temporary source of water supply
- Agreement between SFPUC and CCWD for source of water supply

Task 2.6 Compensatory Mitigation

Identify potential mitigation lands as needed for Task 2.4. Determine preliminary appraisal value of potential mitigation lands. Acquire options to acquire mitigation lands with the concurrence of the Local Agency Partners.

Deliverables:

- Identification and preliminary appraisal of potential mitigation sites

Task 2.7 Final Award Hearing Requirements

A series of agreements will be needed to meet the final award hearing requirements of the California Water Commission. Progress on a number of these agreements will commence during the term of this amendment. The agreements necessary to proceed to the final award hearing may include but are not limited to: operations coordination agreements between CCWD and Reclamation and between CCWD and the Department of Water Resources; contracts for administration of public benefits between the JPA and DWR, and between the JPA and CDFW; a cost share agreement between CCWD and Reclamation for pre-construction activities; an agreement between CCWD and DWR for the tie-in of the Transfer-Bethany Pipeline to the California Aqueduct; a Backstop Water Service Agreement between CCWD and EBMUD (pending determination to proceed); an agreement between CCWD and the JPA for design and construction of Project facilities; an agreement between EBMUD and the JPA for design and construction of Project facilities.

Deliverables:

- Operations coordination agreement(s) between CCWD and Reclamation and between CCWD and DWR (in progress)
- Contracts for administration of public benefits between the JPA and CDFW, and between the JPA and DWR
- Cost-share agreement with Reclamation for pre-construction activities (completed)
- Agreement between CCWD and DWR for the tie-in of the Transfer-Bethany Pipeline to the California Aqueduct (in progress)
- MOU between CCWD and EBMUD (completed)
- Cost-share agreement between CCWD and Reclamation for construction activities
- Backstop Water Service Agreement between CCWD and EBMUD (pending determination to proceed)
- Agreement between CCWD and the JPA for the design and construction of Project facilities (in progress)
- Agreement between EBMUD and the JPA for the design and construction of Project facilities (in progress)

Task 3 Engineering Feasibility

Task 3.1 Financial Evaluation

Perform a financial evaluation that will assess the costs and merits of the Project.

Clean Energy Capital will further develop a Microsoft Excel-based Proforma Financial Model for the Project that incorporates water pricing options and integration with the CalSim model; hold stakeholder meetings and workshops; collect and review stakeholder and local partner comments and inputs to the model; refine model as additional information arises that may affect the local agency partners, operations, water pricing, or other financial components of the Project. Clean Energy Capital will work directly with Local Agency Partners, as needed, to support each agency's understanding and familiarity with the financial evaluation.

Clean Energy Capital will also create a Plan of Finance describing the proposed financing structure and assumptions for financing the Project. The Plan of Finance will take into consideration appropriate debt structures, timing, impact on rates, budgeting, credit ratings, tax laws, availability of grants and other State and Federal funding, Local Agency Partners that may choose to pay upfront in-lieu of participating in JPA financing,

and assessment of capital market conditions. Evaluate the funding capabilities of a JPA and associated contractual requirements for partners receiving and paying for services.

Deliverables:

- Updated Proforma Financial Model (ongoing)
- Further support for evaluation of Refined Usage Fees (completed)
- Plan of Finance

Task 3.2 Federal Feasibility Report

The Final Federal Feasibility Report was completed in 2020 and was submitted to Congress on August 11, 2020. The Secretary of the Interior and/or Congress may continue to evaluate federal participation in the Project throughout the term of this Amendment.

Additional work may be necessary to secure Congressional budget appropriations for construction activities. CCWD and Local Agency Partners will also provide support to Reclamation on any post-feasibility report requirements as needed.

Deliverables:

- Final Federal Feasibility Study (completed)
- Updated fact sheets for meetings with elected officials (in progress)
- Updated federal funding and budget requests (in progress)
- Post-feasibility report support (in progress)

Task 3.3 Design

Task 3.3.1 Pumping Plant No. 1 Replacement

Preliminary design technical evaluations were completed by CCWD as part of CCWD’s Canal Replacement Project. Additional design development and evaluations must be completed in support of permitting and developing inter-agency agreements, including field work, site facility layouts, and development of electrical design sufficient for coordination with the Western Area Power Administration (WAPA).

Deliverables:

- Pumping Plant No. 1 Preliminary Design Report (completed)
- Conceptual Facility Layout Drawings (completed)
- Electrical System Improvements Conceptual Plans (completed)
- Geotechnical Investigation Report (completed)
- 30%, 60%, 90% and Final Plans, Specifications (in progress)
- 30% Construction cost estimates (completed)
- Final Design
- Agreement with WAPA

Task 3.3.2 Los Vaqueros Dam

This task includes work efforts related to design of the Los Vaqueros Dam expansion to gain Division of Safety of Dams (DSOD) authorization to construct. Design-related tasks may include, but are not limited to, reporting, investigations, testing, analysis, and surveys; geotechnical investigations and reporting; stability and

deformation analysis; design of earthquake ground motions and parameters, spillway, new high-level outlet, inlet/outlet tunnel modifications and dam instrumentation; constructability review, DSOD meetings and correspondence; and design of site restoration for the core borrow area. This task includes meetings with a Technical Review Board for independent review of the dam consultant's work in accordance with DSOD guidelines.

Deliverables:

- LV Dam Drawings and Specifications 50% (completed)
- LV Dam Drawings and Specifications 90% (completed)
- LV Cost Estimate/Schedule 50% (completed)
- Draft Basis of Design Report (completed)
- Geotechnical Data Report (completed)
- LV Dam Risk Assessment (completed)
- Dam dewatering plan (completed)
- Constructability Review Comments and Response Matrix (completed)
- LV Dam Drawings and Specifications 100%
- LV Cost Estimate/Schedule 100%

Task 3.3.3 Transfer-Bethany Pipeline

Continue pipeline alignment evaluations resulting from continued coordination with local resource and transportation agencies. CCWD will work with Contra Costa County Public Works and the Contra Costa Transportation Authority and their ongoing regional transportation planning for the Vasco Road widening and the State Route 239 Connector and will evaluate alignment adjustments as needed. CCWD will work with resource agencies to evaluate implications of alignment modifications and construction methods and associated mitigation and land needs along the alignment south of Vasco road in support of coordination with the East Contra Costa Habitat Conservation Plan and the County. CCWD will coordinate with the Department of Water Resources to review and define design criteria and to develop designs of the turn-in to the California Aqueduct, and will review available geotechnical information and define pipeline corridor within State owned lands. A final pipeline alignment and land acquisition corridor will be defined. CCWD will prepare a geotechnical work plan and initial assessment of land acquisition needs.

Topographic survey will be completed with up-to-date aerial photography. CCWD will work with landowners and secure access rights to conduct field investigations, including geotechnical investigations, cathodic protection surveys and environmental surveys, as needed. Preliminary design of the pipeline and turn-in will be developed, including plan and profile drawings, hydraulic analysis, pipeline material evaluation, surge analysis and preparation of preliminary design construction schedule and cost estimate. A risk assessment will be conducted and a risk register developed that will be maintained through project implementation. Prepare plats and legal descriptions for temporary and permanent land acquisition, conduct property appraisals, initiate negotiations with landowners, and begin procurement of pipeline rights-of-way.

Deliverables:

- Alignment Adjustment Evaluations Tech Memo (completed)
- Transfer-Bethany Pipeline Design Criteria Tech Memo
- Transfer-Bethany Pipeline Preliminary Design Report
- Topographic Survey

- Geotechnical Work Plan
- Assessment of Pipeline Land Acquisition Needs (in progress)
- Draft and Final Geotechnical Data Report
- Title and Appraisal Reports

Task 3.3.4 Operation and Reliability Assessment

This task has been completed.

Task 3.3.5 Recreation Facilities

Plan and develop the conceptual designs for project recreational facilities (i.e., Marina Complex and replacement of Los Vaqueros Road, Service Road/Hiking Trail, Interpretative Center Expansion, Watershed Office Barn, ADA-compliant trail at the existing Mortero Wetland Complex, relocated fishing piers). Services specific to the development of the replacement of Los Vaqueros Road will include development of initial plan and profile design of the roadway, including estimates of grading modifications, drainage, pavement and other elements to support a preliminary design construction cost estimate.

Deliverables:

- Conceptual plans and renderings (in progress)
- Preliminary basis of design report (in progress)
- Design & construction cost estimate (in progress)

Task 3.3.6 Existing Facilities Inspections and Assessments

Procure consulting services to conduct inspections and assessments of the existing Los Vaqueros Pipeline, the Transfer Pipeline, and the Contra Costa Canal between Pumping Plant No. 2 and Pumping Plant No. 4 to confirm condition, reliability, and capacity to operate consistent with the planned operations. Develop facility impact plans to coordinate CCWD operations, shutdowns and draining, as needed. Prepare inspection reports and recommend improvements, if needed.

Deliverables:

- Pipeline inspection firm procurement documents (completed)
- Pipeline Inspection (completed)
- Reports documenting conditions of facilities and potential future actions or improvements
- Geotechnical Investigation Work Plan

Task 3.4 Capital Project Management Support

CCWD will competitively procure a consultant to provide Capital Project Management Support Services to conduct a range of risk and technical project activities, including risk assessment and participation in the risk management team, schedule control and optimization, deliverable tracking, project controls and quality management, and resource and budget projections.

Deliverables:

- Risk Management Plan
- Implementation Phase Risk Assessment Report
- Evaluation of the need for alternative water supply during dam construction

Exhibit B-4

Budget and Cost Share

The budget for Amendment No. 4 to the Agreement covers three major tasks: project management, environmental planning, and engineering feasibility. The total budget includes projected expenditures for legal and consulting services and CCWD labor. The total cost for the scope of work listed in Exhibit A-3 that is covered in this Amendment is \$13,250,000 as shown in Table 1.

Table 1. Budget of Scope of Work

	Original MPA Budget	Amendment No. 2	Amendment No.3	Amendment No. 4	Total
Project Management	\$1,090,600	\$2,302,400	\$1,460,200	\$1,768,000	\$6,621,200
Environmental Planning	\$3,777,400	\$5,368,967	\$4,816,429	\$4,462,000	\$18,424,796
Engineering Feasibility	\$6,755,400	\$10,161,300	\$13,467,940	\$6,306,000	\$36,690,640
Contingency		*	\$987,228	\$714,000	\$1,701,228
Total	\$11,623,400	\$17,832,667	\$20,731,798	\$13,250,000	\$63,437,864

*\$300,000 was assumed as contingency in Amendment No. 2 but was included in the Project Management Task

The total cost to complete the scope of work is \$13,250,000 and will be paid through a combination of reimbursement from Reclamation, reimbursement from the California Water Commission (CWC), and contributions from CCWD and the Local Agency Partners. To calculate the amount owed by CCWD and the Local Agency Partners, the total cost is reduced by reimbursements from the CWC and Reclamation and the projected carryover of unspent funds from the Agreement as amended. The costs remaining after accounting for contributions from CWC, Reclamation, and carryover funding is \$7,658,000 as shown in Table 2. This is equal to the Total Cost share defined in Section 3(a) of the Agreement as amended and will be split equally among CCWD and the Local Agency Partners, excluding Grassland Water District and the JPA. One invoice is proposed over the term of the Agreement as amended for CCWD and each Local Agency Partner.

Table 2. Cost to be Paid by CCWD and LAPs

Net Costs for term covered by Amendment No. 4 to Multi-party Agreement (January 2023 - June 2023)	Amount
Total Projected Costs	\$13,250,000
less Reclamation reimbursement	-\$3,009,000
less projected carryover of unspent funds from Amendment No.3	-\$1,250,000
less projected CWC reimbursement	-\$1,333,000
Total Remaining Costs	\$7,658,000

Table 3 shows the invoice schedule and the total costs per agency. For purposes of calculating the amount to be invoiced, the “total number of agencies participating” is equal to the total number of parties signatory to this Amendment No. 4 (including CCWD) but excluding Grassland Water District and the JPA and further excluding any signatory party which has completed its withdrawal from the Agreement prior to the time for payment.

Table 3. Cost per Agency and Invoice Schedule

		Invoice #1
	Total Cost Per Agency	January 2023
7 Agencies Participate	\$1,094,000	\$1,094,000

ITEM 2.4: APPROVAL OF STANDARD SERVICES AGREEMENT WITH CLEAN ENERGY CAPITAL SECURITIES, LLC FOR FINANCIAL CONSULTING SERVICES (NOT TO EXCEED \$390,995.00 THROUGH JUNE 30, 2023)

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

Clean Energy Capital has been providing financial consulting services to the Project through Contra Costa Water District for many years. This agreement will bring Clean Energy Capital under contract with the Authority to provide financial services for the remainder of the 2023 Fiscal Year.

Given Clean Energy Capital's experience in working on the Project and understanding the Authority's and respective Members' needs, it is uniquely qualified to provide the services included in this agreement.

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.

FISCAL ANALYSIS:

Contract amount not to exceed \$390,995.00 is provided for in the Authority's Fiscal Year 2023 Budget among the allocated line item and other available and unexpended monies.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Standard Services Agreement with Clean Energy Capital Securities, LLC (the entity's legal name).

LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
Standard Services Agreement

THIS AGREEMENT for services is between Los Vaqueros Reservoir Joint Powers Authority ("JPA") and Clean Energy Capital Securities, LLC, a California limited liability company (the "Consultant"). Consultant's address is 600 California Street, San Francisco, California 94108, telephone 415-324-5883. Consultant's taxpayer's identification number is: _____.

1. The Agreement. JPA and Consultant agree that Consultant shall provide financial consulting services for the JPA and shall perform those services on the terms and conditions set forth herein. The specific scope of services, and any special performance conditions are 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 \$390,995.00 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, Jthe PA 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: _____
Name: Taryn Ravazini
Title: Executive Director

CONSULTANT: Clean Energy Capital Securities, LLC

By: _____ Date: _____
Name: David M. Moore
Title: Managing Director, CEO

APPROVED AS TO FORM:

JPA Legal Counsel

**Consulting Services Agreement
Between Los Vaqueros Reservoir Joint Powers Authority (“JPA”) and
Clean Energy Capital Securities, LLC (“Consultant”)**

Scope of Work / Project Schedule / Project Fees

A. Scope of Work

Clean Energy Capital shall complete the following tasks, which may be performed concurrently:

1. Credit rating
 - Run procurement process to select rating agency(s) for indicative and final rating(s)
 - Prepare and submit materials and presentations
 - Organize meetings and follow-up
 - Coordinate input from Member agencies
 - Prepare and submit final ratings package
2. WIFIA loan
 - Support preparation and submittal of loan application
 - Support loan documentation and negotiation
 - Coordinate input from Member agencies
 - Facilitate financial closing
 - Provide financial modeling to the EPA
3. Proforma financial model
 - Maintain and update proforma financial model
 - Model cost allocation alternatives
 - Model implementation of WIFIA funding, WSIP and WINN Act funding, and Member cash contributions
 - Coordinate input from Member agencies
 - Provide scenario analysis
4. Service Agreements
 - Support negotiation of commercial terms for service agreement
 - Develop contract schedules
 - Integrate contract terms with proforma financial model
5. JPA Credit Facility
 - Perform cost benefit analysis
 - Present results and recommendations
 - Procure facility, negotiate terms and implement as appropriate

6. Workshops
 - Develop materials for financial workshops
 - Administer and lead financial workshops
7. Member Agency support
 - Provide customized financial modeling and analysis to Members
 - Review, revise, present results
8. Provide such other services as are reasonably requested by the JPA and its Members

B. Project Schedule

The following fee table shows our estimated scope of service for FY2023. FY2024 services will be awarded under separate contract.

C. Project Fees

Clean Energy Capital shall endeavour to complete the tasks described in this scope of work, payable based on actual hours/expenses incurred. Our estimated total compensation and proposed not-to-exceed amount is set forth in the following Fee Table.

Fee Table - FY2023 (Through June 30, 2023)

Task No.	Task Description	Project Lead	Vice President	Associate	Combined
1	Credit Rating				
	Total Estimated Hours	40	60	20	
	Billing	\$17,400.00	\$21,900.00	\$5,500.00	\$44,800.00
2	WIFIA Loan				
	Total Estimated Hours	60	40	20	
	Billing	\$26,100.00	\$14,600.00	\$5,500.00	\$46,200.00
3	Proforma Financial Model				
	Total Estimated Hours	40	120	0	
	Billing	\$17,400.00	\$43,800.00	\$0.00	\$61,200.00
4	Service Agreements				
	Total Estimated Hours	80	20	0	
	Billing	\$34,800.00	\$7,300.00	\$0.00	\$42,100.00
5	JPA Credit Facility				
	Total Estimated Hours	10	20	20	
	Billing	\$4,350.00	\$7,300.00	\$5,500.00	\$17,150.00
6	Finance Workshops				
	Total Estimated Hours	60	80	0	
	Billing	\$26,100.00	\$29,200.00	\$0.00	\$55,300.00
7	Member Agency Support				
	Total Estimated Hours	40	60	0	
	Billing	\$17,400.00	\$21,900.00	\$0.00	\$39,300.00
8	Meetings / calls				
	Total Estimated Hours	40	20	0	
	Billing	\$17,400.00	\$7,300.00	\$0.00	\$24,700.00
9	Other services				
	Total Estimated Hours	0	0	0	
	Billing	\$0.00	\$0.00	\$0.00	\$0.00
10	Scheduling and Project Management				
	Total Estimated Hours	40	20	0	
	Billing	\$17,400.00	\$7,300.00	\$0.00	\$24,700.00
	Total				\$355,450.00
	Contingency Added for Not-to-Exceed Amount				
	Percentage				10%
	Amount				\$35,545.00
	Not-to-Exceed Amount for Amendment				
					\$390,995.00

The above Fee Table provides an estimate of the level of effort required to complete each task and Clean Energy Capital may shift hours among tasks and personnel as circumstances change during the engagement. If hours incurred are less than anticipated, then the savings shall be passed on to client.

Any additional work beyond the services described herein are optional services that will only be performed at client's request. Optional services will be billed on a time and materials basis.

We propose the hourly rate schedule set forth below, which provides for a 3% annual escalation of our rates from the amounts set in our 2018 Standard Services Agreement with CCWD.

Hourly Rate Schedule

<i>Consultant</i>	<i>Rate</i>
Project Lead (David Moore)	\$435/Hour
Director/Vice President (Will Lockwood, Saravleen Singh)	\$365/Hour
Associate (Amanda Hanson, Jordan Decker)	\$275/Hour
Analyst (TBD)	\$235/Hour

ITEM 2.5: APPROVAL OF RESOLUTION NO. 11-22-03 IN APPRECIATION OF SERVICE OF ALTERNATE DIRECTOR LINDA J. LEZOTTE

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

From the Authority's formation, Alternate Director Linda J. LeZotte has been a valuable contributor to the Authority's success. Alternate Director will be leaving the Santa Clara Valley Water District Board when her term expires in early December and thus will also be leaving the Authority's Board and Finance Committee. This resolution memorializes the Authority's Alternate Director LeZotte's years of service to the Authority, to her home district and to her community.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Resolution No. 11-22-03 – Resolution of the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority in Appreciation of Service of Alternate Director Linda J. LeZotte

RESOLUTION NO. 11-22-03

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS VAQUEROS
RESERVOIR JOINT POWERS AUTHORITY
IN APPRECIATION OF SERVICE OF ALTERNATE DIRECTOR
LINDA J. LeZOTTE**

WHEREAS, Alternate Director Linda J. LeZotte has represented the Santa Clara Valley Water District (“Valley Water”) on the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority (the “Authority”) from its inception and has served on the Authority’s Finance Committee; and

WHEREAS, Alternate Director LeZotte was first elected to the Valley Water Board of Directors in 2010 and was re-elected in 2014 and 2018; and

WHEREAS, Alternate Director LeZotte served as Vice Chair of the Valley Water Board in 2011 and 2018, and as Chair of the Valley Water Board in 2012 and 2019; and

WHEREAS, Alternate Director LeZotte served as a distinguished member of the San Jose City Council leading the green building/sustainability policy discussion, and served six years as a San Jose Planning Commissioner; and

WHEREAS, Alternate Director LeZotte is one of a select group of Silicon Valley and California attorneys who are accredited by the U.S. Green Building Council as a LEED AP (Leadership in Energy and Environmental Design Accredited Professional) in new construction, and chaired the Joint Ventures Silicon Valley Sustainable Building Initiative and served on the Bay Area Climate Collaborative – Green Building Group, and the Cities Association Green Building Collaborative; and

WHEREAS, Alternate Director LeZotte will complete her many years of public and community service in the coming weeks and will be leaving the Authority’s Board of Directors,

NOW, THEREFORE, the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority hereby expresses its appreciation and gratitude to Alternate Director Linda J. LeZotte for her service to the Authority from its inception and for her many years of service to Valley Water and the San Jose community and gives her its best wishes for many years of health and happiness in her retirement.

PASSED AND ADOPTED by the Board of Directors of the Los Vaqueros Reservoir Joint Powers Authority this 9th day of November, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

Attest:

Ellen Wehr, Secretary

DISCUSSION ITEMS

ITEM 3.1: OVERVIEW OF PLAN OF FINANCE

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

The Authority was recently informed that it was invited to submit an application for a loan under the U.S. Environmental Protection Agency's WIFIA Loan Program. Deputy Interim Administrator Maureen Martin and Will Lockwood of Clean Energy Capital will discuss the plan of finance that is currently contemplated and additional financial instruments that may be needed.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

Fiscal impact is to be determined

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Slide deck follows



Los Vaqueros Reservoir JPA
Board of Directors Meeting
Agenda Item 3.2 - Plan of Finance Update

November 9, 2022



JPA Plan of Finance¹

Sources of Funds (\$000s)

WSIP Funding	477,558	34.7%
WIFIA Loan	674,568	49.0%
WIIN Act Funding (Secured)	64,000	4.6%
BIL Funding (Secured)	82,000	6.0%
Additional Fed. Appropriations	78,544	5.7%
Total	<u>1,376,670</u>	

Uses of Funds (\$000s)

Devel. and Constr. Costs	1,245,375
Capital Project Fund Reserve	47,573
Debt Service Reserve Fund	39,995
Financing Costs	19,115
JPA Admin Cost (Pre-Operations)	18,534
Admin and Op. Fund Reserve	3,731
Interest on LAP Contributions	<u>2,347</u>
Total	<u>1,376,670</u>

¹Illustrative amounts are taken from the "WIFIA Letter of Interest" version of proforma model, adjusted for the recently-secured Bipartisan Infrastructure Law (BIL) funding

JPA Sources of Funds – Federal Funding

Funding Source	Background	Funding Status	Next Steps
WIFIA Loan	Water Infrastructure Finance and Innovation Act (WIFIA) Loan program administered by the Environmental Protection Agency (EPA)	LVE Project was invited to apply for \$675 million low-interest rate loan	<ul style="list-style-type: none"> - Secure an Indicative Credit Rating - Submit Loan Application
WIIN Act Funding	Federal funding administered by the Bureau under the Water Infrastructure Improvements for the Nation Act	LVE Project has secured \$64 million in funding to date. LVE team working for additional appropriations from Congress	<ul style="list-style-type: none"> - Work with Reclamation to develop key permits and agreements
BIL Grant Funding	Federal program established in 2021 by the Bipartisan Infrastructure Law, administered by U.S. Dept. of the Interior	LVE Project was awarded an \$82 million in funding on October 17, 2022	<ul style="list-style-type: none"> - Work with Reclamation to develop key permits and agreements

JPA Sources of Funds – State Funding

Funding Source	Background	Funding Status	Next Steps
WSIP Funding	Water Storage Investment Program (WSIP) program administered by the California Water Commission. Also known as Prop 1 funding	LVE Project was awarded \$459 million in 2018 (adjusted to \$477 million in 2021), contingent on certain requirements	<ul style="list-style-type: none"> - Complete permits - Execute Contracts for Administration of Public Benefit
Balance of Funding	<p>Approximately \$78.5 of remaining funding requirements:</p> <ul style="list-style-type: none"> • Amount of remaining funding requirements will depend on multiple factors, including finalization of the construction budget • The amount is expected to be provided by WIIN Act funding, however the JPA cannot guarantee that additional Federal allocations will be received • Funding alternatives include: <ul style="list-style-type: none"> • WIIN Act funding, as described above • Upfront cash contributions from the Members • Water Revenue Bonds issued by the JPA 		

JPA Plan of Finance – Reserve Accounts

Sources of Funds (\$000s)

WSIP Funding	477,558	34.7%
WIFIA Loan	674,568	49.0%
WIIN Act Funding (Secured)	64,000	4.6%
BIL Funding (Secured)	82,000	6.0%
Additional Fed. Appropriations	78,544	5.7%
Total	1,376,670	

Uses of Funds (\$000s)

Devel. and Constr. Costs	1,245,375
Capital Project Fund Reserve	47,573
Debt Service Reserve Fund	39,995
Financing Costs	19,115
JPA Admin Cost (Pre-Operations)	18,534
Admin and Op. Fund Reserve	3,731
Interest on LAP Contributions	2,347
Total	1,376,670

Anticipated Reserve Accounts

➤ Capital Project Fund Reserve (\$47.6M)

- 17% (2 months) of annual capital budget
- Temporary reserve that provides sufficient working capital for authorized capital expenditures

➤ Debt Service Reserve Fund (\$40.0M)

- One year of maximum debt service
- Permanent reserve to mitigate risk of non-payment of debt service obligations

➤ Admin/Operating Fund Reserve (\$3.7M)

- 17% (2 months) of annual operating budget
- Permanent reserve that provides sufficient liquidity as working capital to fund administrative and operating expenses

¹Illustrative amounts are taken from the "WIFIA Letter of Interest" version of proforma model, adjusted for the recently-secured Bipartisan Infrastructure Law (BIL) funding

Interim Financing Options

- **Multiparty Agreement** - provides for shared funding of JPA administration and LVE development expenses
 - Currently active (Amendment #4) and anticipated to run until the Service Agreements are executed or other permanent sources of JPA revenues are in place
 - JPA's primary interim funding source at this time

- Other Interim Financing Options:
 1. **Bank Credit Facility**
 2. **Commercial Paper or Bond Anticipation Notes**
 - These options would require a repayment commitment from the JPA, backed by the Members
 - Prior to Service Agreement execution, these Interim Financing options would require the Board to adopt specific repayment provisions
 - The cost effectiveness of these Interim Financing options *after* Service Agreement execution will be evaluated and presented to the Finance Committee

JPA Credit Rating Update

- Clean Energy Capital has requested fee proposals from the three credit rating agencies (Fitch, Moody's, Standard & Poor's). Responses are pending. We have asked pricing for:
 - Indicative Rating fee (for WIFIA application)
 - Final Rating fee (for WIFIA loan closing)
 - Ongoing surveillance fee (for maintenance of rating going forward)

- Clean Energy Capital expects to undertake the following activities:
 - Receive and summarize rating agency proposals along with our recommendations
 - Receive input from the Finance Workgroup
 - Present proposals and recommendations to LVE Finance Committee
 - Present an action item to the LVE Board for rating agency engagement

LVE Finance Workgroup Update

- **Membership** – Staff-level finance and operations representatives from each Member agency

- **Workshops to Date (2022)**

Month	Topic	Month	Topic
January	WIFIA Introduction	June	Operating Priorities (#2)
February	LVE Plan of Finance	July	Operating Priorities (#3) / WIFIA LOI Update
March	JPA Budget	August	WIFIA LOI Review
April	Cost and Funding Allocation	September	Summary of Key Agreements
May	Operating Priorities (#1)	October	CCWD Operations Term Sheet

- **Next Steps**

- CEC will circulate an updated Summary of Key Agreements consolidating comments from the Workgroup, the CCWD Operations Term Sheet, and Workgroup comments thereon
- The updated Summary of Key Agreements will support drafting of the Service Agreement

ITEM 4.4: BOARD POLICY AND ACTION CALENDAR

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

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

The most significant update to the current version of the Board Policy and Action Calendar is moving the Board discussion item for the Draft Contracts for Administration of Public Benefits from November 2022 to December 2022, and shifting the Facilities Usage Agreement Committee and Board discussions out to January 2023 and on, as well as adjusting the Service Agreement timeline.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

6-Month Calendar and Outline of Board Policies and Actions

Overview Graphic of 2022-23 Draft Major Policy Calendar

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

6-Month Calendar	
Board Activities	Committee Activities
<i>November 2022</i>	
Multi-Party Cost Share Agreement Amendment No. 4 [Action] Clean Energy Capital Financial Services Consulting Agreement [Action] Plan of Finance [Discussion]	Draft CCWD Design and Construction Agreement Principles [Finance Committee]
<i>December 2022</i>	
WIFIA Loan Credit Rating Contract Award [Action] Program Management Services Contract Request for Proposals [Action] Plan of Finance [Action] Contracts for Administration of Public Benefits [Discussion]	Service Agreement Approach [Finance Committee] Draft FY24 Budget [Finance Committee]
<i>January 2023</i>	
Service Agreement Approach [Discussion] Draft Contracts for Administration of Public Benefits [Discussion]	WIFIA Application [Finance Committee] Bank Services [Finance Committee] CCWD Facilities Usage Agreement [O&E Committee] Draft CCWD Design and Construction Agreement Principles [Joint Finance and O&E Committees?]
<i>February 2023</i>	
Contracts for Administration of Public Benefits [Action] DWR-JPA MOU [Action] Draft CCWD Facilities Usage Agreement [Discussion] WIFIA Application [Discussion] Bank Services [Discussion] Liability and Errors and Omissions Insurance [Discussion]	WIFIA Application [Finance Committee]

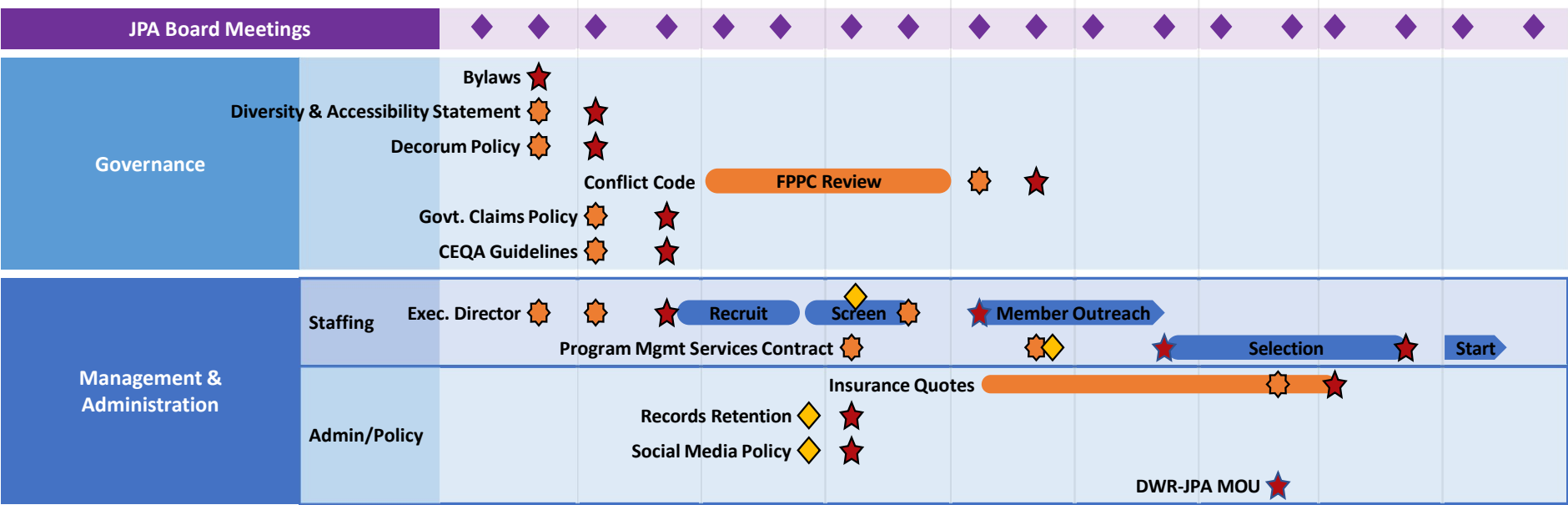
6-Month Calendar	
Board Activities	Committee Activities
<i>March 2023</i>	
CCWD Facilities Usage Agreement [Action] WIFIA Application [Action] Bank Services Request for Proposals [Action] Liability and Errors and Omissions Insurance [Action] Draft Service Agreement [Discussion] FY 24 Budget [Discussion] CCWD Design and Construction Principles [Discussion]	
<i>April 2023</i>	
Service Agreement [Action] Program Management Agreement [Action] CCWD Design and Construction Principles [Discussion]	FY 24 Budget [Finance Committee]

Los Vaqueros Reservoir Joint Powers Authority Draft 2022 Major Policy Calendar *Dates Subject to Change*

 CWC Award Hearing

2022 2023

Jan Mar May Jul Sep Nov Jan Mar May

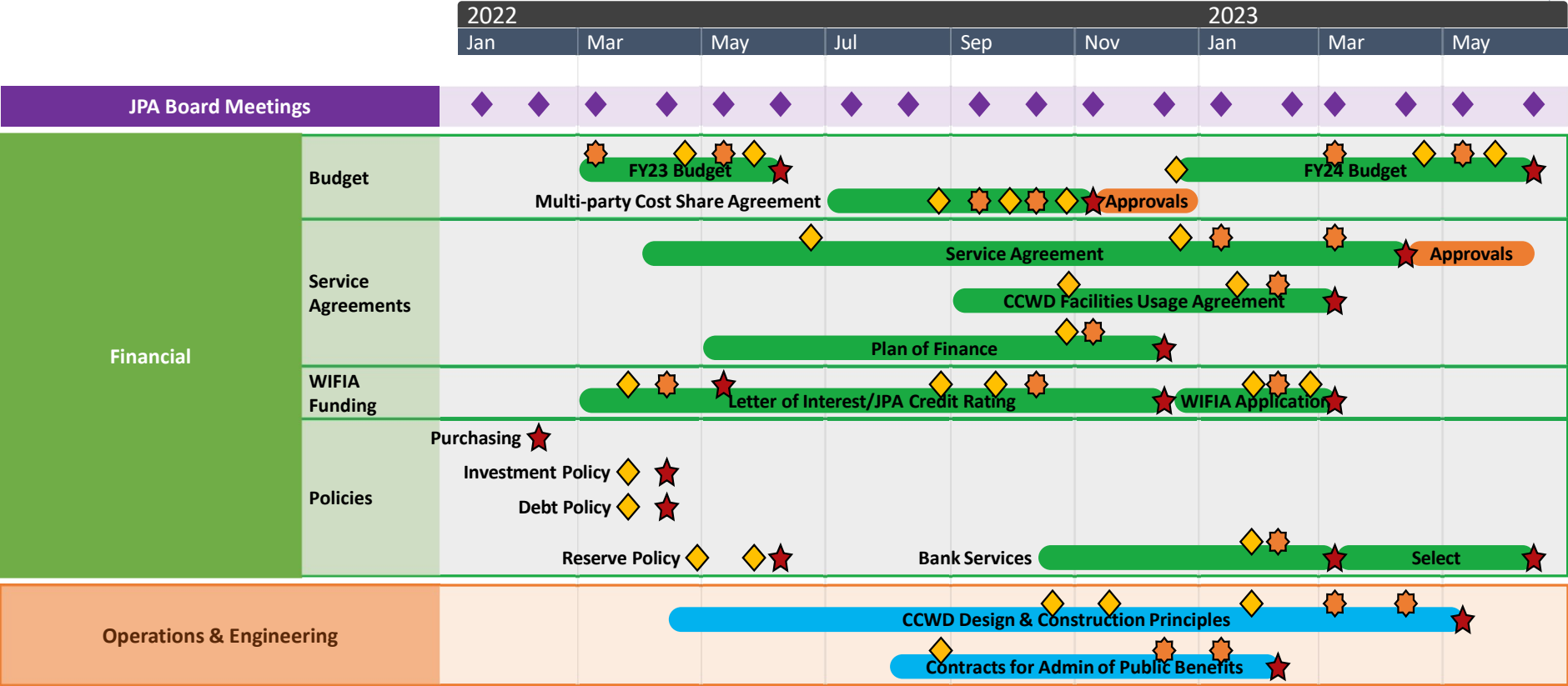


Los Vaqueros Reservoir Joint Powers Authority

Draft 2022 Major Policy Calendar

Dates Subject to Change

 CWC Award
Hearing



Future Agreements to Develop (Schedules TBD)

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

ITEM 4.5: COMMITTEE MEETING SUMMARIES

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

None

DISCUSSION:

The Operations and Engineering Committee, Communications and Outreach Committee, and Finance Committee meeting summaries from their respective October meetings follow.



SUMMARY OF REGULAR MEETING OF OPERATIONS AND ENGINEERING COMMITTEE

October 20, 2022 – 10:00 a.m.

All members of the Committee (Jose Gutierrez, Chair; Jonathan Wunderlich, Steve Ritchie and Antonio Martinez) were present.

1.1 September 15, 2022 Operations and Engineering Committee Meeting Summary

The summary from the September 15, 2022 Operations and Engineering Committee meeting was presented and was accepted without change.

1.2 Review of Draft Principles related to Design and Construction Agreement to be Entered into with CCWD

Taryn Ravazzini, Executive Director, introduced Chris Hentz, CCWD's LVE Engineering Manager, who provided the Committee with a summary of the concepts and related issues that will be addressed in the Design and Construction Agreement the Authority will enter into with CCWD, including the seven principles that will be incorporated into that agreement. Mr. Hentz noted that a separate Design and Construction Agreement will be needed between the JPA and East Bay Municipal Utility District (EBMUD) for the improvements to the EBMUD Walnut Creek Pumping Plant. Chair Gutierrez asked about the timing for the deposits in advance of work to be performed and was advised that the timing on the advanced payments will be worked through as the language of the Agreement is developed. The final terms of the Design and Construction Agreement will be brought back to the Committee prior to the JPA Board approval which is anticipated in Spring 2023.

1.3 Program Management Approach

At the October 12, 2022 Board of Directors' meeting, the Board provided input to the Executive Director and requested that she ensure that the Operations and Engineering Committee be involved in the process to develop the scope of work for the Program Management team.

Committee members then discussed the Program Management position and the upcoming selection process. The Program Manager will support the Executive Director and assist in coordination with CCWD and EBMUD. Executive Director Ravazzini reviewed a preliminary draft scope of work and requested input on additional services which may be

required. The scope of work will be customized as to what member agencies feel works best. The Program Management selection process will be a competitive selection process based on CCWD's administrative procedures. Staff participation in the interview process will be utilized. The contract with the selected consultant will require approval by the JPA Board. Staff will finalize the Request for Proposals in November and anticipates Board approval of the consultant contract in April 2023. Executive Director Ravazzini will be following up and updating the Board at the November 9 Board meeting.

Future Agenda Items:

- Possibility of forming a work group (jointly between the Finance Committee and the Operations and Engineering Committee) to address bridge funding in relation to the advance payments needed under the Design and Construction Agreements;
- Presentation on the South Bay Aqueduct;
- Discussion of Project Labor Agreement;
- Review of final report on the Transfer Pipeline inspection;
- Presentation on the physical model for Pumping Plant 1; and
- Review of Department of Water Resources Turn-In Agreement

The November Committee meeting is scheduled for November 17, 2022. The meeting was adjourned at 11:21 a.m.

James D. Ciampa

James D. Ciampa
General Counsel



SUMMARY OF REGULAR MEETING OF COMMUNICATIONS AND OUTREACH COMMITTEE

October 26, 2022 – 10:00 a.m.

Present at the meeting were Chair Angela Ramirez Holmes, and Committee Members Ernesto Avila and Ricardo Ortega. Staff and two others attended the meeting.

1.1 August 24, 2022 Communications and Outreach Committee Meeting Summary. The summary from the August 24, 2022 Communications and Outreach Committee Meeting was presented and accepted without change.

1.2 Recap of Washington, D.C. Advocacy Trip. Executive Director Taryn Ravazzini reviewed the outcome of the meetings conducted during the recent trip to Washington, D.C. She reported overall good outcomes. The Authority received confirmation of an \$82 million appropriation from the U.S. Bureau of Reclamation under the Bipartisan Infrastructure Law and received the invitation from the U.S. Environmental Protection Agency to apply for the WIFIA loan. Chair Ramirez Holmes acknowledged the bicameral and bipartisan support for the Project. A letter requesting the Bureau of Reclamation to expedite issuance of the Record of Decision concerning the Project is in progress, with both California senators and fifteen members of Congress having signed that letter of support. That letter is expected to be completed in the next few days and will be provided to the Board once it is final.

1.3 State Legislative Outreach Planning. Executive Director Ravazzini noted that outreach to the State Legislature and applicable state agencies in the coming legislative year will be an important component to achieving the Authority's priorities. She presented the following objectives:

- Introduce the JPA – a unique collaboration
- Share accomplishments
- Timeline – breaking ground target
- Prop 1 – WSIP Inflation Gap/Boost
- Potential Letter of Support

Discussion followed as to whether the hiring of a lobbyist by the Authority would be beneficial, and it was discussed that it would be prudent to convene a meeting among the Members' respective

lobbyists to obtain their input on how to best approach the Authority's state advocacy needs. Committee member Ortega requested a delegation list with respect to the state senators and assembly members for the Authority's service area.

Committee member Avila asked when the beginning of the outreach might occur. After discussion, it was the consensus of the Committee that after the beginning of 2023 would be a good time.

1.4 Future Board Meeting Attendance Alternatives. General Counsel James Ciampa reviewed the current Brown Act requirements with respect to virtual meetings and how those requirements will change based on the withdrawal of the COVID-19 emergency declaration on February 28, 2023. The Committee discussed how to best handle meeting attendance once AB 361 is no longer available for remote meetings in the manner they have been conducted since the Authority's inception. Various Board meeting alternatives were included in that discussion:

- Return to Full In-Person Meetings
- Conduct Hybrid Meetings
- Continue with Fully Virtual Meetings

Chair Ramirez Holmes voiced her preference to return to in-person meetings at one centralized location and stated that she has confirmed that Zone 7 Water Agency is able to host the meetings and has virtual meeting capabilities if those are necessary for some directors under particular circumstances. Committee members Avila and Ortega concurred in returning to in-person meetings and were agreeable to Zone 7 Water Agency hosting those meetings. The Committee discussed how the Authority's committee meetings could be conducted and concluded those meetings could continue via Zoom, with the agendas posted with the necessary information to comply with the Brown Act and with the various teleconference locations being accessible to the public.

1.5 Development of Communications and Outreach Plan. In accordance with the Communications and Outreach Committee Charter, the Committee scope of work and responsibilities include:

- Collaborate with Authority staff in developing the annual Communications and Outreach Plan

Executive Director Ravazzini initiated discussion among Committee members and Authority staff on this topic. Staff provided an overview of the existing Stakeholder and Public Outreach Plan that Contra Costa Water District developed early in the planning phase for the Los Vaqueros Reservoir Expansion Project. The presentation included review of the following:

- Communications Goals
- Public Involvement Plan and Activities
- Interested Public
- Outcome to date
- Environmental Support for LVE

It was the consensus of the Committee for members to bring back a schedule of goals and priorities/objectives for review at the next Committee meeting. Committee member Avila stated that he would like the public to have as much information as possible.

1.6 Possible Membership in Association of California Water Agencies (ACWA).

Executive Director Ravazzini solicited the Committee's input regarding whether the Authority should pursue joining the Association of California Water Agencies. She stated that she is reaching out to ACWA's Joint Powers Insurance Authority for possible insurance and membership in ACWA would be required to obtain that insurance. Ms. Ravazzini reviewed the ACWA membership benefits and requested input from members of the Committee as to whether she should pursue membership. Discussion followed as what the advantages would be because all Authority members are currently ACWA members. Committee member Avila will assist the Executive Director in obtaining responsive information from ACWA.

General Counsel Ciampa noted that the date for the December Committee meeting is December 28, 2022, which may present a problem for attendance given the end of the year holidays. After discussion, it was the consensus that the next Communications and Outreach Committee meeting will be held on January 25, 2023, at 10:00 a.m.

The meeting adjourned at 12:00 p.m.

James D. Ciampa

James D. Ciampa
Interim General Counsel



SUMMARY OF REGULAR MEETING OF FINANCE COMMITTEE

October 27, 2022 – 1:00 p.m.

Present at the meeting were Chair, Anthea Hansen, Vice Chair, Paul Sethy, and Committee members Linda J. LeZotte and John Coleman. Staff and 15 others also attended the meeting.

1.1 September 26, 2022 Finance Committee Meeting Summary. The draft summary of the September 26, 2022 Finance Committee meeting was presented for the Committee's information. General Counsel Jim Ciampa stated this summary was previously included in the materials at the October 12, 2022 Board of Directors' meeting. No changes were made by the Committee.

1.2 Update on Amendment No. 4 to Multi-Party Cost Share Agreement. Based on input from the Members' finance staffs, it was determined that the Authority's interim funding needs would be provided in revised Amendment No. 4 to the Multi-Party Cost Share Agreement. Revisions have been made to that amendment to add the Authority as a party and the Members have been discussing other changes to the amendment over the past few weeks. Deputy Interim Administrator, Maureen Martin, stated the draft of the amendment included in the meeting materials captures the significant changes, but further minor changes have been made to that document. The final version of Amendment No. 4 will be brought to the full Board for consideration and approval at the November 9 Board meeting. Vice Chair Sethy advised that he had reviewed everything with Alternate Director Jonathan Wunderlich and is fully supportive of the language. Committee member LeZotte advised that her finance staff was very pleased with the final draft.

1.3 Discussion of CCWD Facilities Usage Agreement. The JPA Agreement contemplates that the Authority will enter into a Facilities Usage Agreement with CCWD that would provide the Capacity Usage Rights to the Authority for its Members' use of CCWD's Project facilities. A presentation was provided by CCWD Assistant General Manager Jeff Quimby on the concepts and issues to be included in that agreement. Executive Director Taryn Ravazzini advised the Committee that the presentation was an informational item to provide an overview of the concepts to be included in that agreement and an update on the status of discussions with CCWD on those issues. The item was not intended as a negotiation session. Mr. Quimby responded to a variety of questions and concerns raised by the Committee members with respect to various

issues in the presentation, including regarding the allocation of costs to the Authority and determination of land values. The Member Agencies will be providing a counter-proposal to CCWD by the end of the year.

1.4 Review of Plan of Finance. Executive Director Ravazzini reported the Authority last week was informed that it has been invited to submit an application for a loan under the U.S. Environmental Protection Agency's WIFIA Loan Program and that the U.S. Bureau of Reclamation had made an allocation of \$82 million to the Los Vaqueros Reservoir Expansion Project under the Bipartisan Infrastructure Law. The Committee discussed the plan of finance that is currently contemplated and additional financial instruments that may be needed to meet funding needs, including the need to cover Project expenses while waiting for reimbursements from governmental funding sources. Deputy Interim Administrator Martin and Will Lockwood of Clean Energy Capital presented a plan of finance overview and answered questions posed by members of the Committee, as well as offered clarification on items included in the presentation. Mr. Lockwood informed the Committee that the request for proposals for the initial credit rating is underway and he expects to have pricing from the rating agencies within the next two weeks.

1.5 Amendment of Purchasing Policy. The Board of Directors adopted the Authority's Purchasing Policy at its February meeting. At the time that Purchasing Policy was adopted, it was acknowledged that it was an interim policy while the Authority was administered by the Interim Administrator and that revisions would be made once the Executive Director was engaged. With the engagement of the Executive Director, it is necessary to update the Purchasing Policy to provide the procurement authority to the Executive Director. Executive Director Ravazzini presented the redlined version of the Purchasing Policy showing the changes made for the Committee's review and discussion. The principal changes to the Policy revised the expenditure authority provided from the Interim Administrator to the Executive Director. The substance of the Policy was not altered. It was the Committee's recommendation that the Board approve this amended version of the Policy at the November 9, 2022 Board meeting.

1.6 Draft Treasurer's Report – Month Ended September 30, 2022. The Draft Treasurer's Report for September 30, 2022 was presented by Executive Director Ravazzini. After discussion, the Committee unanimously concurred to present the Treasurer's Report, in the form presented, to the Board of Directors for approval at the November 9, 2022, Board meeting. Chair, Anthea Hansen, requested that the acronym for the San Luis & Delta-Mendota Water Authority be included in the report.

FUTURE AGENDA ITEMS:

Executive Director Ravazzini solicited recommendations for this item. She noted the following possible future Agenda items:

- Report on the development of the Service Agreements
- Discussion of future in-person or virtual Committee meetings, which will also be discussed at the November 9 Board meeting

The November Finance Committee meeting date was changed to November 16, 2022 at 1:00 p.m. due to the Thanksgiving holiday.

The meeting adjourned at 2:32 p.m.

James D. Ciampa

James D. Ciampa
General Counsel