



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
MINUTES**

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

CALL TO ORDER at 9:34 a.m.

PLEDGE OF ALLEGIANCE – led by Chair Angela Ramirez Holmes

ROLL CALL OF DIRECTORS

Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Ellen Wehr, Secretary, Grassland Water District
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District

ALTERNATE DIRECTORS

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

*Alternate Directors who replaced absent Directors from their member agencies

ABSENT

Dennis Herrera, Director, San Francisco Public Utilities Commission
Gary Kremen, Director, Santa Clara Valley Water District [to be sworn in]
Lesa McIntosh, Alternate Director, East Bay Municipal Utility District

OTHERS PRESENT

Marguerite Patil, Contra Costa Water District
Maureen Martin, Contra Costa Water District
Mimi Mehaouchi, Contra Costa Water District
James Ciampa, Lagerlof, LLP, Interim General Counsel
Rosemarie Perea, Interim Board Clerk
Joel Lopez, Lagerlof, LLP
Diane Schmidt, Lagerlof, LLP
Approximately 20 others

CONSIDER ADOPTION OF RESOLUTION NO. 2-22-01 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 FEBRUARY 6, 2022, TO MARCH 8, 2022 PURSUANT TO BROWN ACT PROVISIONS.

Assembly Bill 361 (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. Similar to prior resolutions the Board adopted in December and January, Resolution No. 2-22-01 sets forth the findings required by AB 361 to allow for continued remote teleconferenced Board 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 Director Borba, seconded by Director Coleman, Resolution No. 2-22-01 was approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission

NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote

APPROVAL OF AGENDA

Upon motion by Director Borba, seconded by Alternate Director LeZotte, the February 9, 2022 agenda was approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission

NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

CONSENT CALENDAR

1.1

Approval of Minutes from January 12, 2022 Board of Directors' Meeting

Upon motion by Director Borba, seconded by Director Sethy, the January 12, 2022 Minutes, in the form presented, were approved by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission

NOES: None
ABSENT: None
ABSTAIN: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority

The motion passed with an 7-0 vote, with Vice Chair Anthea Hansen abstaining.

ACTION ITEMS

2.1

Consider adoption of Resolution No. 2-22-02 – Resolution of the Board of Directors of Los Vaqueros Reservoir Joint Powers Authority Approving Authority Bylaws

Marguerite Patil, Interim Administrator, requested that Interim General Counsel, James Ciampa, review the Bylaws and the changes made. Interim General Counsel Ciampa then reviewed the Bylaws in the form provided for review. The revisions, as discussed at the January 12, 2022, Board meeting, consisted of minor formatting edits to ensure consistency in language, and additional revisions to clarify provisions, particularly regarding Board committee issues. Interim

General Counsel Ciampa also explained future amendments to the Bylaws that will address issues specified in the Authority’s Joint Exercise of Powers Agreement (the “JPA Agreement”) concerning the Executive Director’s powers regarding personnel issues and issues concerning the admission of new members.

After discussion, it was the consensus of the Board that in Section 2.5 “Amendment of Bylaws” the required threshold for approval of an amendment be the affirmative vote of at least six (6) of the total number of Directors.

After discussion and upon motion by Director Borba, seconded by Alternate Director LeZotte, and unanimously carried, Resolution No. 2-22-02 Approving the Authority Bylaws was approved with the above-noted change to Paragraph 2.5, by the following roll call vote:

- AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
- NOES: None
- ABSENT: None
- ABSTAIN: None

The motion passed with an 8-0 vote.

2.2

Consider adoption of Resolution No. 2-22-03 – Resolution of the Board of Directors of Los Vaqueros Reservoir Joint Powers Authority Adopting Purchasing Policy

James Ciampa, Interim Legal Counsel, reviewed the draft resolution presented which adopts the Purchasing Policy and Expenditure Limits attached as Exhibit A to the resolution and answered questions posed by members of the Board. The policy is modeled after Contra Costa Water District’s (CCWD) purchasing policies and procedures in light of CCWD’s appointment as Interim Administrator. It is contemplated that a revised Purchasing Policy would be adopted when a permanent Administrator or Executive Director is in place.

The Purchasing Policy sets the Interim Administrator’s expenditure authority, without Board approval, at \$50,000, and specifies various methods of procurement for goods and services, including construction work, depending on the expected dollar amount of an expenditure. The policy incorporates revisions discussed at the January 12, 2022, Board meeting. Director Coleman requested that for expenditures under \$50,000 a report be provided to the Board and the consensus of the Board was to approve that addition.

After discussion and upon motion by Director Coleman, seconded by Director Borba, and unanimously carried, Resolution No. 2-22-03 Adopting Purchasing Policy was approved incorporating the redlined changes made, by the following roll call vote:

AYES: Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Paul Sethy, Director, Alameda County Water District
Lisa Borba, Director, Contra Costa Water District
John Coleman, Director, East Bay Municipal Utility District
Ellen Wehr, Director, Grassland Water District
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission

NOES: None
ABSENT: None
ABSTAIN: None

The motion passed with an 8-0 vote.

DISCUSSION ITEMS

3.1

Authority Management Approach

Marguerite Patil, Interim Administrator, advised that the JPA Agreement provides for flexibility in how the Board of Directors will determine the management of the Authority. The JPA Agreement includes provisions for an Administrator and/or an Executive Director. Currently, CCWD is the appointed Interim Administrator, but it is contemplated that in the future a permanent Administrator or Executive Director, other than CCWD, will be appointed.

Given the scale and complexity of the Project, and the need to advance the key agreements to implement the Project, staff recommended initiating a recruitment process for an Executive Director in the near term, so the position is filled in advance of key Authority milestones.

Staff anticipates recruitment and onboarding of a permanent Executive Director will take four to six months. It must also be recognized that the JPA Agreement contemplates the position will be filled by an outside contracted consultant, rather than an Authority employee, as having direct Authority employees was disfavored throughout the Authority's formation process.

Staff estimates the annual cost for a permanent, full-time Executive Director to be in the range of \$350,000 to \$475,000, including overhead and indirect costs.

After a discussion concerning the alternative recruitment approaches, such as use of an outside recruiting firm or use of a request for proposals, it was the consensus of the Board to move forward with the selection of an Executive Director using an outside recruiting firm. The consensus was also to establish an ad hoc committee consisting of the Chair, Vice Chair and additional Director to review resumes submitted and conduct initial interviews. Marguerite Patil, Interim Administrator, noted that the nature of the engagement is a contract rather than employment, and that the language in the recruiting materials needs to be very clear regarding the nature of the engagement.

3.2

Draft Policy Statement: Commitment to Diversity and Accessibility

Marguerite Patil, Interim Administrator, noted that Alternate Director Ritchie initially raised the need for the Authority to adopt a policy statement concerning diversity and accessibility. Chair Ramirez Holmes and staff developed and presented a draft policy statement setting forth the Authority's commitment to diversity and accessibility for the Board's consideration and discussion. This draft policy statement is modeled after the Policy Principles on Diversity, Equity and Inclusion adopted by the California Urban Water Agencies, of which several Authority Members are members.

It was the consensus of the Board to bring this matter back for approval at a future Board meeting.

3.3

Draft Board Meeting and Decorum Policy

James Ciampa, Interim Legal Counsel, advised that many public agencies adopt Board Meeting and Decorum Policies to apply to their Board of Directors' meetings. Such policies set ground rules for communications at Board meetings, both with members of the public and among directors and staff.

The Board was presented with a draft Board Meeting and Decorum Policy which establishes such rules of decorum for the Authority's Board meetings, including for members of the public in addressing the Board and for Directors and Alternate Directors in connection with Board discussions. The draft Policy includes authorizing the removal of disruptive persons from a Board meeting (to be used as a last resort) and includes a three-minute limitation on public comments, subject to adjustment by the Chair. The draft Policy also includes a disciplinary provision for any Directors or Alternates who violate the Policy, which consists of a censure and possible removal from any officer position or Committee appointment.

Director Sethy asked for clarification regarding the ability of Board members to discuss closed session item with their own Board in closed session. Interim General Counsel Ciampa stated that issue was addressed in the closed session resolution the Board adopted at its initial meeting, to incorporate provisions in the Brown Act that allow for disclosures in a member agency's own closed sessions.

It was the consensus of the Board to bring this matter back for approval at a future Board meeting.

3.4

Review of Board Policy and Action Calendar

Marguerite Patil, Interim Administrator, presented the updated Board Policy and Action Calendar for the Board's information. The Calendar is presented in both outline form including Authority Board meeting items by month for the next six months and in a new overview graphic. That graphic is presented by functional area and includes potential discussion and action items for Authority Board and Committee meetings for 2022 and early 2023.

Staff is planning to bring this calendar back every month with updates.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 - Directors

Chair Ramirez Homes reviewed the summary of Committee assignments and advised that Committee meetings will be underway soon.

Alternate Director LeZotte advised that Director John Varela is no longer on the Authority's Board as an Alternate Director and that she will be the Alternate Director for the Santa Clara Valley Water District and Gary Kremen will serve as that district's appointed Director.

Director Borba asked whether the approval by roll call vote of the Agenda was required. Chair Ramirez Holmes responded that all votes done in a teleconference meeting must be by roll call. Interim Legal Counsel Ciampa advised approval of the agenda is not required. It was suggested that the approval of the agenda be removed from future agendas.

In answer to a question regarding the filing of an Annual Form 700 in April, Interim Legal Counsel Ciampa advised that due to the timing of the filing of the Assuming Office Form 700 in December 2021, there is no need to file an Annual Form 700 in April of this year.

4.2 - Treasurer

Treasurer Paul Sethy requested that the monthly Treasurer's Report be distributed to all Board members. Treasurer Sethy provided a summary of the Project's finances, which relates to the existing cost-share agreement between the Authority Members (the "Multi-Party Cost Share Agreement"). He stated approximately \$50 million is to be paid by the Members through that agreement, of which approximately \$25.1 million has been paid in cash and in-kind services and \$23.9 million has been expended. He stated the Project has approximately \$2.2 million in cash on hand.

Treasurer Sethy stated in the future he would like to receive and provide to the Board more detailed reports on Authority and Project expenditures. He stated the Authority will need to engage an independent auditor, although for its first audit, the same auditor that CCWD uses can be used.

Interim Administrator Patil advised that Clean Energy Capital, the financial consultant for the Project, has been working closely with the Finance Work Group on financial issues over the past several years and a further workshop is scheduled for February 22. Interim Administrator Patil reported the Finance Committee will be comprised of Vice Chair Anthea Hansen, Treasurer Sethy, Director John Coleman and Alternate Director Linda J. LeZotte; and that discussions have been ongoing with the California Water Commission and other storage project proponents regarding the possibility of additional state funding to address the increase in inflation that is currently being experienced on Bay Area construction projects.

4.3 - Interim General Counsel

Interim General Counsel Ciampa advised the Board he is still working with the Fair Political Practices Commission in connection with their ongoing review of the draft Conflict of Interest Code for the Authority. He also informed the Board of Assembly Bill 1774, which would streamline the CEQA process for water conveyance and water storage projects.

4.4 - Interim Administrator

Interim Administrator Patil stated she is still working with the Department of Water Resources to fill its Ex Officio seat on the Authority's Board. Also, staff is continuing to work on procuring insurance for the Authority, as that has been a more complicated process than originally contemplated.

The meeting was adjourned at 11:13 a.m.

Angela Ramirez Holmes

Angela Ramirez Holmes (Mar 16, 2022 19:48 PDT)

Angela Ramirez Holmes, Chair

ATTEST:

Ellen Wehr

Ellen Wehr (Mar 17, 2022 09:48 PDT)

Ellen Wehr, Secretary