



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
AGENDA**

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

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 calling the following number to gain telephonic access to the meeting: **1-855-669-1809** (no passcode is required).

Any member of the public wishing to make any comments to the Board of Directors may do so by calling into the meeting at the above number. 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 October 11, 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.*

Any person who attends this meeting in person should observe social distancing of at least six (6) feet from other persons and should not attend the meeting if the person is experiencing any of the following symptoms of COVID-19:

<ul style="list-style-type: none">• Cough• Shortness of breath or difficulty breathing• Fever of 100.4 degrees or higher	<ul style="list-style-type: none">• Chills• Muscle pain• Sore throat• New loss of taste or smell
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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

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.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Any member of the public wishing to address the Board of Directors regarding items not on the Agenda should do so at this time. The Board welcomes your comments and requests that speakers present their remarks within established time limits and on issues that directly affect the Authority or are within the jurisdiction of the Authority.

CONSENT CALENDAR

- 1.1 Approval of Minutes from September 14, 2022 Board of Directors Meeting**
- 1.2 Treasurer’s Report – Month Ended August 31, 2022**

ACTION ITEMS

2.1 Approval of Conflict of Interest Code

DISCUSSION ITEMS

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

3.2 Project Management Approach

3.3 WIFIA Loan Credit Rating

3.4 Review of Board Policy and Action Calendar

FUTURE AGENDA ITEMS

REPORTS

4.1 Directors

4.2 General Counsel

4.3 Executive Director

4.4 Committee Meeting Summaries

REFUGE FACILITIES TOUR – San Luis National Wildlife Refuge – 7376 Wolfsen Road, Los Banos, California; Tule Elk Auto Tour Route; and Los Banos Wildlife Area – 18110 Henry Miller Avenue, Los Banos, California [members of the public to provide their own transportation]

ADJOURNMENT

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.

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. 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 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. 10-22-01

RESOLUTION NO. 10-22-01

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 OCTOBER 6, 2022 TO NOVEMBER 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 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 12th day of October, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Angela Ramirez Holmes, Chair

Attest:

Ellen Wehr, Secretary

CONSENT CALENDAR

ITEM 1.1: APPROVAL OF MINUTES FROM SEPTEMBER 14, 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 September 14, 2022 Board of Directors meeting.

DISCUSSION:

The Clerk, General Counsel, Executive Director, Interim Administrator and Secretary have prepared the attached draft minutes from the September 14, 2022 Board of Directors meeting.

ALTERNATIVES:

Any suggested revisions to the draft September 14, 2022 Board meeting minutes will be considered.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft minutes from September 14, 2022 Board of Directors meeting.



**LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
MINUTES**

Regular Meeting of the Board of Directors
September 14, 2022 – 9:30 a.m.

CALL TO ORDER at 9:35 a.m.

PLEDGE OF ALLEGIANCE – led by Secretary and Acting Chair, Ellen Wehr

ROLL CALL OF DIRECTORS

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 (arrived at approximately 9:46 a.m.)
Gary Kremen, Director, Santa Clara Valley Water District

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
*Sandy Figuers, Alternate Director, Zone 7 Water Agency

*Alternate Directors who replaced absent Directors from their member agencies

ABSENT

Angela Ramirez Holmes, Chair, Zone 7 Water Agency
Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
Dennis Herrera, Director, San Francisco Public Utilities Commission
Lesa McIntosh, Alternate Director, East Bay Municipal Utility District
Jose Gutierrez, Alternate Director, San Luis & Delta-Mendota Water Authority
Linda J. LeZotte, Alternate Director, Santa Clara Valley Water District

OTHERS PRESENT

Marguerite Patil, Interim Administrator
James Ciampa, Lagerlof, LLP, Interim General Counsel
Rosemarie Perea, Interim Board Clerk
Diane Schmidt, Lagerlof, LLP
Maureen Martin, Deputy Interim Administrator
Approximately 22 others

CONSIDER ADOPTION OF RESOLUTION NO. 9-22-01 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 SEPTEMBER 6, 2022 TO OCTOBER 5, 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. 9-22-01 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 Director Avila, seconded by Treasurer Sethy, Resolution No. 9-22-01 was approved by the following roll call vote:

- AYES: 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
Sandy Figuers, Alternate Director, Zone 7 Water Agency
- 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

Upon motion by Treasurer Sethy, seconded by Director Kremen, the Consent Calendar was approved by the following roll call vote:

- AYES: 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
Sandy Figuers, Alternate Director, Zone 7 Water Agency
- NOES: None
- ABSENT: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
John Coleman, Director, East Bay Municipal Utility District
- ABSTAIN: Gary Kremen, Director, Santa Clara Valley Water District

The motion passed with a 5-0 vote, with Director Kremen abstaining and the absences noted above.

The approval of the Consent Calendar included:

- 1.1 - Approval of Minutes from August 10, 2022 Board of Directors Meeting**
- 1.2 - Treasurer's Report – Month Ended July 31, 2022**

ACTION ITEMS

2.1 - Approval of Independent Contractor Agreement for Executive Director with T. Ravazzini Consulting

At the August 10, 2022, Board of Directors' meeting, the Board directed the Interim Administrator and Interim General Counsel to enter into negotiations with the candidate selected at that meeting to serve as the Authority's initial Executive Director, T. Ravazzini Consulting. Since that time, the Interim Administrator and Interim General Counsel have engaged in those negotiations and have reached agreement with the candidate. Interim General Counsel Ciampa then summarized the compensation terms for the position as required under the Brown Act and to provide full disclosure to the public.

Interim Administrator Patil summarized the process that led to the proposed engagement of T. Ravazzini Consulting and gave some background information concerning the selected consultant.

Several Directors expressed their pleasure with the result and thanked Interim Administrator Patil and the Ad Hoc Committee for their work in securing such a great candidate. Treasurer Sethy posed several questions regarding the compensation structure and the total compensation amounts reflected in the accompanying staff report. Interim Administrator Patil further explained how the compensation structure and amounts were arrived at. Interim General Counsel Ciampa then advised the Board that subsequent to the drafting of the Agreement, he was informed that T. Ravazzini Consulting will be acting in the capacity of a sole proprietorship not as a limited liability company. Thus, in the executed version of the Independent Contractor Agreement, the references to "LLC" will be deleted.

Upon motion by Director Coleman, seconded by Director Avila, the Independent Contractor Agreement for Executive Director with T. Ravazzini Consulting, with the references to “LLC” being deleted, was approved by the following roll call vote:

- AYES: 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
Gary Kremen, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Sandy Figuers, Alternate Director, Zone 7 Water Agency
- NOES: None
- ABSENT: Anthea Hansen, Vice Chair, San Luis & Delta-Mendota Water Authority
- ABSTAIN: None

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

2.2 - Approval of Amendment to Legal Services Contract

Interim Administrator Patil advised the Board that at the August 24, 2022 Communications and Outreach Committee meeting, discussion took place regarding the Authority’s fact sheets and the fact that the Authority’s General Counsel and Clerk are referred to as “interim” on those materials. The Communications and Outreach Committee concluded that those references to “interim” positions may give rise to the thought that the Authority is not yet ready to proceed with its function. Thus, the Committee concurred that removing the “interim” titles from those positions would avoid any perception of the temporary nature of the Authority, with the understanding that the Authority has not engaged either Mr. Ciampa or Mrs. Perea on a permanent basis.

In further discussing that item, it was discovered that the Legal Services Contract, refers to those positions as “Interim General Counsel” and “Interim Clerk.” Also, that contract is set to expire on December 31, 2022 and with the onboarding of the new Executive Director, it may be prudent to defer further discussion and action with respect to Authority legal services until the early part of 2023. Thus, the recommendation from the Communications and Outreach Committee and the Interim Administrator is to extend the Legal Services Contract through June 30, 2023, which coincides with the end of the 2022-23 Fiscal Year. A draft of the necessary amendment was included in the meeting materials.

Upon motion by Director Ritchie, seconded by Director Avila, the Amendment to Legal Services Contract extending the term through June 30, 2023, and deleting the reference to “interim” from General Counsel and Board Clerk was approved by the following roll call vote:

- AYES: 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
Gary Kremen, Director, Santa Clara Valley Water District
Steve Ritchie, Alternate Director, San Francisco Public Utilities Commission
Sandy Figuers, Alternate Director, Zone 7 Water Agency

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

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

DISCUSSION ITEMS

3.1 - Update on Washington D.C. Trip and Related Meetings

Interim Administrator Patil advised that staff continues to work on plans for the upcoming trip to Washington, D.C. on September 19 – 21. Several members of the Authority’s Board will attend as well as the Interim Administrator, Executive Director, and staff representing several Authority Members. Ms. Patil then reviewed the draft fact sheets included in the meeting materials and received feedback on various items in those fact sheets.

3.2 - Interim Funding Agreement

Interim Administrator Patil advised that the JPA Agreement contemplates that the Authority’s initial costs will be funded through an Interim Funding Agreement to be entered into by the Authority and its Members. The intent is that the Interim Funding Agreement will take the place of the previous Cost Share Agreement and its amendments executed prior to Authority formation (referred to as the Multiparty Agreement), until such time as the Authority will obtain its revenues through the Service Agreements after the Project is in construction and operation.

The Finance Committee reviewed the prior draft Interim Funding Agreement at its August 25, 2022 meeting and requested that the revised draft Agreement, including exhibits, be brought back to the September Finance Committee meeting for further review before being presented to the Board for consideration and possible approval at the October 12 Board meeting. Also, an updated draft version of the Interim Funding Agreement is being distributed to the Members’ finance staffs for review and comment and staff feedback will be incorporated into the final draft agreement for presentation at the September Finance Committee meeting.

3.3 - Conflict of Interest Code

Interim General Counsel Ciampa 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 have been exchanged with the FPPC over the months and in early August their suggested revisions to the draft Code were received. Further communications with FPPC staff on several questions they raised have been exchanged but final FPPC approval of the draft Code has not yet been received.

This item was presented for the Board’s information. Upon confirmation with the FPPC that the draft is acceptable, and no further changes are required, the notice process will begin, which includes a 45-day public comment period. If any interested person requests, a public hearing would be held in connection with adoption of the Code. If no request for a public hearing is received, the Board could approve the Conflict of Interest Code at a meeting after the 45-day comment period has ended.

3.4 - Review of Board Policy and Action Calendar

Interim Administrator Patil 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:

- Committee discussion on various items were moved from September to November and adjusted timeline accordingly.
- Adjusted schedule for Program Management Services Contract by two months.
- Adjusted schedule for Insurance Quotes by two months.
- Adjusted schedule for DWR MOU by two months.
- Added Interim Funding Agreement discussion item to September Finance Committee agenda.
- Deleted Service Agreement discussion item from September Board meeting agenda.

FUTURE AGENDA ITEMS

None.

REPORTS

4.1 - Directors

- Director Coleman apologized for arriving late to the meeting.
- Director Avila advised that due to CCWD General Manager Steve Welch's retirement, Rachel Murphy has been selected as CCWD's new General Manager. He also noted he is looking forward to Antonio Martinez' participation as Alternate Director on the JPA Board and possible on some Authority committees.

4.2 - Interim General Counsel

Interim General Counsel Ciampa thanked the Board for approving the Amendment to the Legal Services Contract and advised that he is looking forward to working with new Executive Director Taryn Ravazzini.

4.3 - Interim Administrator

Interim Administrator Marguerite Patil advised:

- She is continuing to work with the State on the inflation adjustment to the award from the California Water Commission.
- The Authority will be engaging in legislative outreach with the State Legislature and possible in person meetings will be held.
- She has met Chuck Bonham, head of the California Department of Fish and Wildlife, who expressed his support for the Project and stated DFW's goal of finalizing all permits and agreements for the Project by the end of the year.
- Ernest Conant, Regional Director for the U.S. Bureau of Reclamation is also providing excellent support.

4.4 - Committee Meeting Summaries

Interim Administrator, Marguerite Patil, referred to the summaries from August 18, 2022 Operations and Engineering Committee meeting, the August 24, 2022, Communications and

Outreach Committee meeting, and the August 25, 2022 Finance Committee Meeting attached for the Board's information.

The meeting was adjourned at 10:38 a.m.

Ellen Wehr, Acting Chair

ATTEST:

Rosemarie Perea, Board Clerk

ITEM 1.2: TREASURER’S REPORT – MONTH ENDED AUGUST 31, 2022

RESPONSIBLE/LEAD STAFF MEMBER:

Marguerite Patil, Interim Administrator

DISCUSSION:

Staff has prepared the Treasurer’s Report for August 2022. This report was reviewed by the Finance Committee at its September 26 meeting.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Treasurer’s Report for Month Ended August 31, 2022



SEPTEMBER 26, 2022

UPCOMING ACTIVITIES

September 26 at 10:00 – Finance Committee Meeting via Zoom

September 27 at 2:00 p.m. – Finance workgroup meeting on Draft WIFIA LOI (with LAP Staff and Clean Energy Capital) via Zoom

October 27 at 1:00 – 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

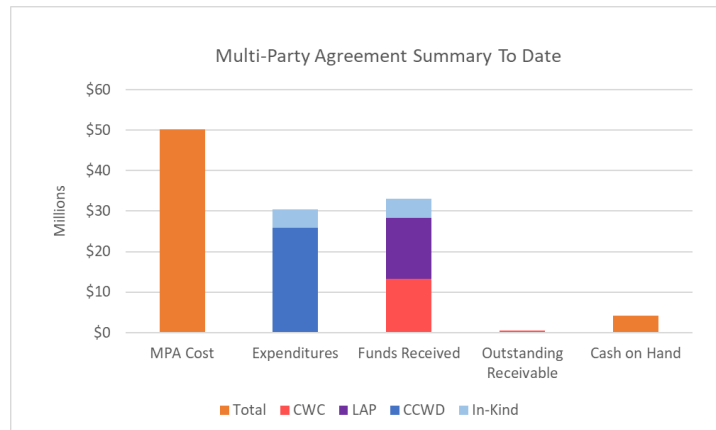
WIFIA LOI – Water Infrastructure Finance and Innovation Act Letter of Interest

TREASURER’S MONTHLY REPORT

MULTI-PARTY AGREEMENT STATUS

Amendment No. 3 to the Multi-party Cost Share Agreement (MPA) was executed on November 1, 2021 and the 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 August 31, 2022. The in-kind services, funds received, outstanding receivable, and cash on hand are shown through August 31, 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: \$25,914,796 (includes consultants and legal services)

LAP: \$4,567,222 (in-kind services)

Total: \$30,482,018

Funds Received:

CWC: \$13,211,826

LAP: \$15,194,842 (cash contributions)

LAP: \$4,567,222 (in-kind services)

Total: \$32,973,890

Outstanding Receivable:

CWC: \$501,089

LAP: \$0

Cash on Hand: \$4,200,499

FEDERAL FUNDING STATUS

The FY22 Continuing Resolution that went into effect September 30, 2021 included \$50 million in Federal funding for the Project. This is in addition to the \$14 million that was appropriated in FY21. 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 is being prepared.

Future Federal funding requests include the remainder of the requested federal share of 21 percent of the total project cost (approximately \$150 million). Some portion of the federal funding share may be available in the Bipartisan Infrastructure Law (the Infrastructure Investment and Jobs Act that was signed on November 15, 2021).

STATE FUNDING STATUS

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

The Early Funding Agreement with the CWC provides for a cost share of 50 percent of eligible costs through December 31, 2022. An amendment 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:	\$27,425,831 (60% spent to date)
Total Amount Remaining:	\$18,474,169
Total Retention To Date:	\$501,089
Outstanding Invoices:	\$0 (Note: invoices under review)

ACTION ITEMS

ITEM 2.1: APPROVAL OF CONFLICT OF INTEREST CODE

RESPONSIBLE/LEAD STAFF MEMBER:

James Ciampa, General Counsel

DISCUSSION:

Shortly after the Authority was formed, we prepared a draft of the Authority’s Conflict of Interest Code and submitted it 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. We have had intermittent communications with the FPPC over the months and in early August received their suggested revisions to the draft Code. We have had further communications with FPPC staff on several questions they raised but have not yet received their final approval of the draft Code.

We have followed up with the FPPC on several occasions to obtain their final approval but have not received a response. At this point, we believe it is acceptable to proceed with the Board’s approval of the Code [if the FPPC subsequently responds with required changes to the Code, then the changes would need to come back to the Board, unless the Board approves the Code subject to any such FPPC changes, and the 45-day comment period would need to be restarted]. Upon receipt of that approval, we will start the 45-day public comment period. If any interested person requests, a public hearing would be held in connection with adoption of the Code. If no request for a public hearing is received, the Board would provide its final approval of the Conflict of Interest Code at a meeting after the 45-day comment period has ended.

ALTERNATIVES:

The Board could defer action on the draft Conflict of Interest Code and wait for the FPPC’s final feedback.

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Draft Conflict of Interest Code

**CONFLICT OF INTEREST CODE
OF THE
LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict--interest code of the **Los Vaqueros Reservoir Joint Powers Authority (the "Authority")**.

All officials and designated positions required to submit a statement of economic interests shall file their statements of economic interests with the **Authority's** Clerk, or their designee, as the **Authority's** Filing Officer/Official. The **Authority's** Clerk, or their designee, shall retain the originals of the statements filed by all officials and designated positions and shall make the statements available for public inspection and reproduction during regular business hours. (Gov. Code Sec. 81008.)

APPENDIX
CONFLICT OF INTEREST CODE
OF THE
LOS VAQUEROS RESERVOIR JOINT POWERS AUTHORITY
EXHIBIT “A”

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

The Authority’s officials, including those of its Administrator, Contra Costa Water District, who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(b), are NOT subject to the Authority’s Code, but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)]. These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Members of the Authority’s Board of Directors and Alternates

Administrator

Secretary (if not a Director)

Treasurer (if not a Director)

Investment consultant, if any

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

Designated Positions Title or Function	Disclosure Categories Assigned
General Counsel for the Authority	1, 2
Executive Director	3, 4, 6, 7
Program Manager	2, 3, 4, 6, 7
Consultants/New Positions	*

Note: Positions are filled by employees of Contra Costa Water District, but act in a staff capacity for the Authority.

*Consultants/new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitations:

The Administrator may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus, is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Administrator's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-interest code. (Government Code Section 81008.)

EXHIBIT B

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which they are assigned.

Category 1: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that are located in, that do business in or own real property within the Authority's jurisdiction.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside of, the Authority's jurisdiction, including any leasehold, beneficial or ownership interest or option to acquire property.

Category 3: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the Authority's jurisdiction.

Category 4: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Authority or its Administrator.

Category 5: All investments and business positions in business entities, and sources of income, including receipt of gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated Position's department, unit or division.

Category 6: All investments and business positions in business entities, and income, including the receipt of loans, gifts and travel payments, from sources that have filed a claim against the Authority or its Administrator during the previous two years, or have a claim pending against the Authority or its Administrator.

Category 7: All investments, business positions and income, including gifts, loans and travel payments, or income from a non-profit organization, if the source is the type to receive grants or other monies from or through the Authority.

DISCUSSION ITEMS

ITEM 3.1: AMENDMENT NO. 4 TO THE MULTI-PARTY COST SHARE AGREEMENT FOR LOS VAQUEROS RESERVOIR EXPANSION PROJECT PLANNING

RESPONSIBLE/LEAD STAFF MEMBER:

Maureen Martin, Deputy Interim Administrator

DISCUSSION:

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 through December 31, 2022 and then the Interim Funding Agreement would provide further funding until when 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.

The Amendment No. 4 and the Interim Funding Agreement were prepared and were provided to the Members' finance staffs on September 9 for their review and comments, which have been requested by September 30. Feedback from the staffs was that the overlap of the two agreements created confusion and complicated the payment structure. The consensus recommendation was to instead utilize Amendment No. 4 to provide funding through June 30, 2023, the end of the Authority's fiscal year.

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 under that amendment. The revised draft Amendment No. 4 has been provided to the Members' finance staffs for their further review and comment. Staff plans to bring the final version of Amendment No. 4 to the Finance Committee at its October 27 meeting and to the Board at its November meeting. Execution of the Agreement by Members is expected before the end of December.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

None

ITEM 3.2: PROJECT MANAGEMENT APPROACH

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

At the July 13 Board meeting, the Interim Administrator provided the Board with an overview of the Program Management position and received input from the Board concerning that position.

Staff will update the Board on anticipated next steps for expeditiously developing a Request for Proposals and identifying member agency staff to engage in the review and selection process.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

Fiscal impact is to be determined based on applicable compensation.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

None

ITEM 3.3: WIFIA CREDIT RATING

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

DISCUSSION:

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. The Project's financial advisor, David Moore of Clean Energy Capital, will discuss the necessary actions for the Authority to obtain that credit rating.

ALTERNATIVES:

For discussion purposes

FISCAL ANALYSIS:

Fiscal impact is to be determined

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

Slide deck

Item 3.3 - Presentation to the Board of Directors of the
Los Vaqueros Reservoir JPA



WIFIA Credit Rating:
Requirements and Process

October 12, 2022



WIFIA Credit Rating Requirements

For submitting an Application:

- A preliminary rating opinion from a rating agency that the senior obligations of the project have the potential to achieve an investment-grade rating
- Called an “Indicative Rating”
- Based on a set of assumptions provided by the JPA

For closing a Loan Agreement:

- A final rating from a rating agency* that the senior obligations of the project are investment-grade
- Called a “Final Rating”
- Reflects the specific credit terms of the transaction
- Requires executed Service Agreements

*We note the change from prior-year requirements for two final ratings

Indicative Rating

Key Assumption:

- 100% of the JPA's costs will be allocated to Members through the Service Agreements

Target Indicative Rating in the "Single-A" category:

- Based on a "weak-link" credit analysis that focuses on the lowest-rated Member

Member Ratings

Member	Moody's	S&P	Fitch
ACWD	Aa1	AAA	--
CCWD	Aa2	AA+	AA
EBMUD	Aaa	AAA	AA+
SFPUC	Aa2	AA	AA-
SLDMWA	A2	--	--
Valley Water	Aa1	--	AA+
Zone 7	--	AA+	AA+

Investment-Grade Ratings

Moody's	Fitch	S&P
Aaa	AAA	AAA
Aa1	AA+	AA+
Aa2	AA+	AA+
Aa3	AA-	AA-
A1	A+	A+
A2	A	A
A3	A-	A-
Baa1	BBB+	BBB+
Baa2	BBB	BBB
Baa3	BBB-	BBB-

Indicative Timeline

Activity	Date
Solicit fee proposals* from rating agencies	Oct 2022
Possible timing for EPA's invitation to apply	Oct 2022
Select and engage rating agency(s)	Nov 2022
Submit materials (JPA agmt, financials, etc.)	Dec 2022
Rating presentation / follow-up questions	Jan 2023
Receive Indicative Rating**	Feb 2023

*Estimates fees:

- \$50,000 - \$100,000 for an Indicative Rating
- \$75,000 - \$150,000 additional for a Final Rating (after fee crediting)
- \$125,000 - \$250,000 total

**The rating can be kept confidential or publicly released

- This determination would typically be made by the JPA after a confidential Indicative Rating has been received

ITEM 3.4: REVIEW OF 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. The Calendar is presented in outline form including Authority Board meeting items by month for the next six months. In addition, the overview graphic is included, organized by functional area to show potential discussion and action items for Authority Board and Committee meetings for 2022 and early 2023.

Updates were made to the Board Policy and Action Calendar on the following items:

- 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.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

6-Month Calendar and Outline of Board Policies and Actions

Overview Graphic of 2022 Draft Major Policy Calendar

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

October 2022

Conflict of Interest Code [Action Item]

Multi-Party Cost Share Agreement Amendment
No. 4 [Discussion Item]

Program Management Approach [Discussion Item]

WIFIA Loan Credit Rating [Discussion Item]

Draft CCWD Facilities Usage Agreement [Finance
Committee]

Plan of Finance [Finance Committee]

Draft CCWD Design and Construction Agreement
Principles [Operations and Engineering Committee]

November 2022

WIFIA Loan Credit Rating [Action Item]

Multi-Party Cost Share Agreement Amendment
No. 4 [Action Item]

Program Management Services Contract Request
for Proposals [Discussion Item]

Service Agreement Approach [Discussion Item]

Draft CCWD Facilities Usage Agreement
[Discussion Item]

Plan of Finance [Discussion Item]

Draft Contracts for Administration of Public
Benefits [Discussion Item]

Draft CCWD Design and Construction Agreement
Principles [Finance Committee]

Bank Services [Finance Committee]

December 2022

Program Management Services Contract Request
for Proposals [Action Item]

December 2022 (continued)

Plan of Finance [Action Item]

Liability and Errors and Omissions Insurance
[Discussion Item]

Bank Services [Discussion Item]

Draft Service Agreement [Finance Committee]

Draft FY24 Capital Budget [Finance Committee]

January 2023

Liability and Errors and Omissions Insurance
[Action Item]

Bank Services Request for Proposals [Action Item]

Draft Service Agreement [Discussion Item]

Draft CCWD Facilities Usage Agreement
[Discussion Item]

Draft Contracts for Administration of Public
Benefits [Discussion Item]

WIFIA Application [Finance Committee]

February 2023

Contracts for Administration of Public Benefits
[Action Item]

CCWD Facilities Usage Agreement [Action Item]

WIFIA Application [Discussion Item]

WIFIA Application [Finance Committee]

March 2023

Service Agreement [Action Item]

WIFIA Application [Action Item]

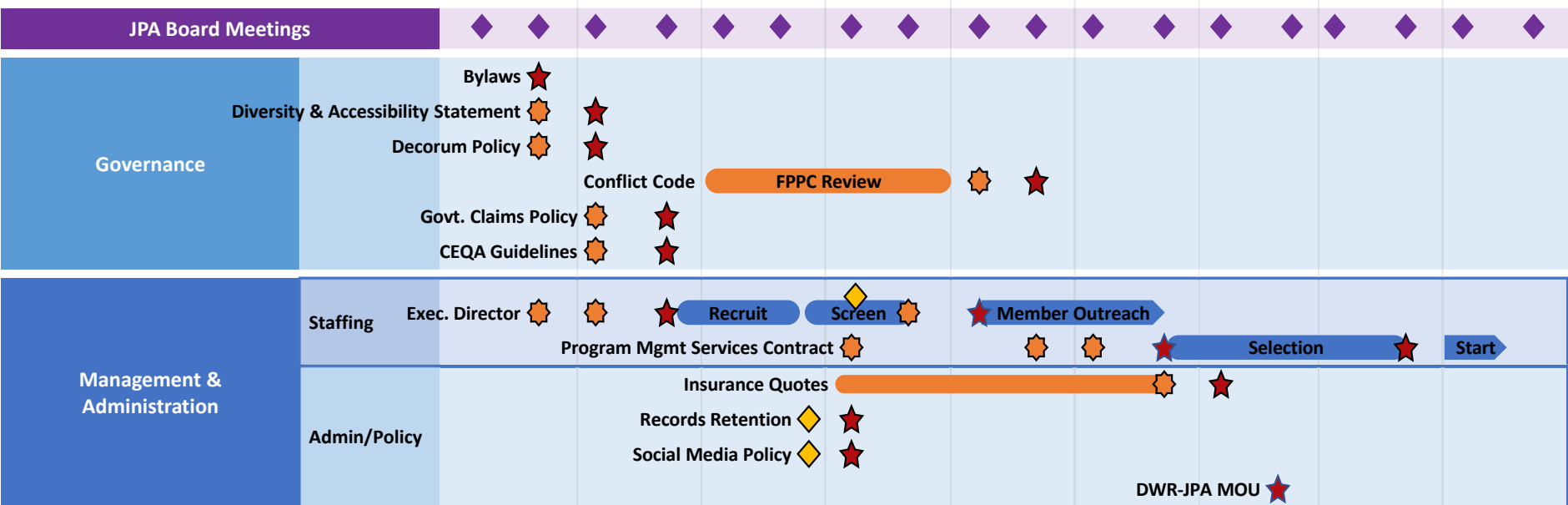
FY 24 Budget [Discussion Item]

CCWD Design and Construction Principles
[Discussion Item]

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

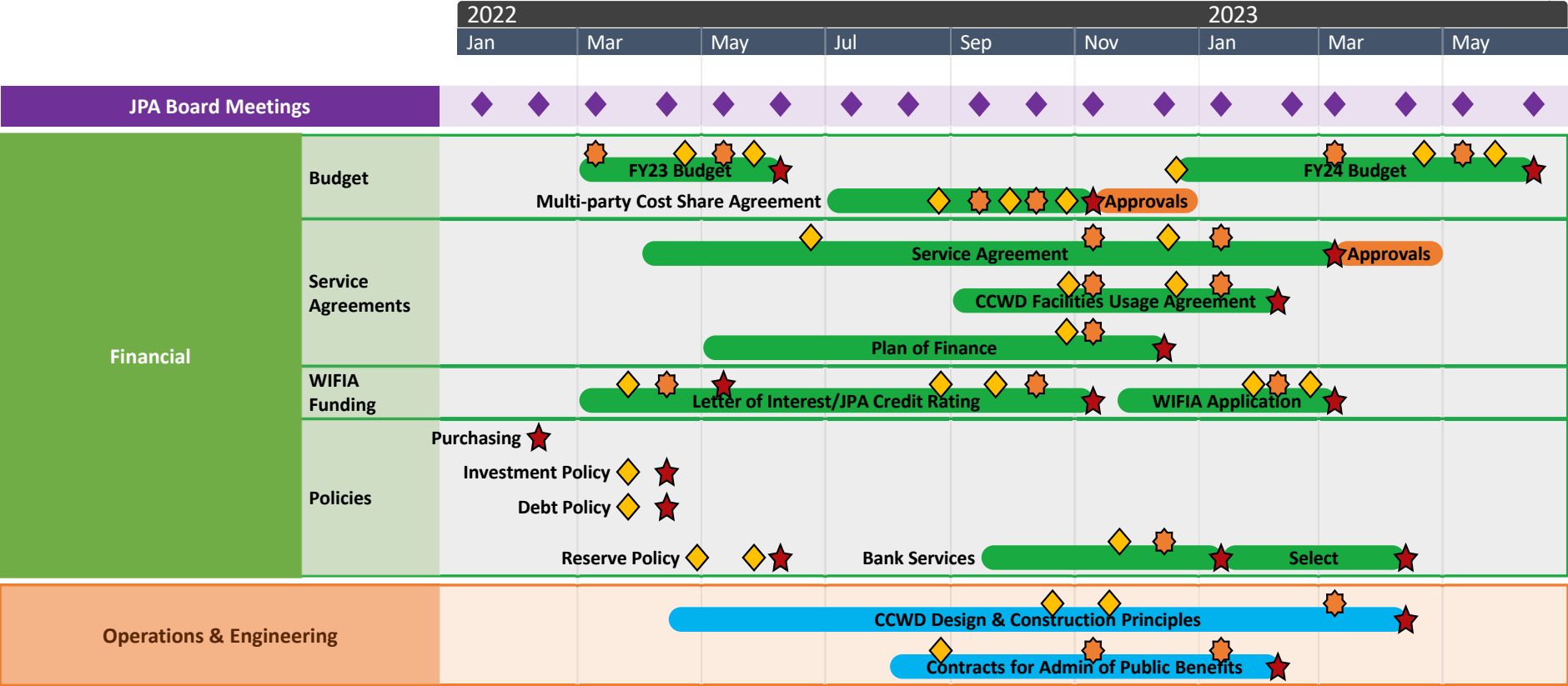
 CWC Award Hearing

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

Key: ◆ Committee Discussion ★ Board Discussion ★ JPA Board Action

ITEM 4.4: COMMITTEE MEETING SUMMARIES

RESPONSIBLE/LEAD STAFF MEMBER:

Taryn Ravazzini, Executive Director

RECOMMENDATION:

None

DISCUSSION:

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



SUMMARY OF REGULAR MEETING OF OPERATIONS AND ENGINEERING COMMITTEE

September 15, 2022 – 10:00 a.m.

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

1.1 August 18, 2022 Operations and Engineering Committee Meeting Summary

The summary from the August 18, 2022 Operations and Engineering Committee meeting was presented and was accepted without change.

1.2 Update on Project Design and Cost Estimate

Marguerite Patil, Interim Administrator, introduced Chris Hentz, Engineering Manager at CCWD, who provided the Committee with a PowerPoint presentation on the status of ongoing design efforts for the Phase 2 Los Vaqueros Reservoir Expansion Project (LVE Project). The presentation included a summary of the status of design on several key LVE Project components including the dam expansion and Contra Costa Canal Pumping Plant No. 1. He also provided an overview of the recent updates to the LVE Project construction cost estimate that were incorporated in the proforma model for the Water Infrastructure Finance and Innovation Act (WIFIA) Letter of Interest submitted to the U.S. Environmental Protection Agency earlier this month. Mr. Hentz answered questions posed by members of the Committee. Ms. Patil provided additional background and supplemental information on the LVE Project and related cost estimates.

Future Agenda Items:

- Update and presentation on the South Bay Aqueduct; and
- Update on draft principles related to the Design and Construction Agreement to be entered into with CCWD

Next month's meeting is scheduled for October 20, 2022. The meeting was adjourned at 11:01 a.m.

James D. Ciampa

James D. Ciampa
General Counsel



SUMMARY OF REGULAR MEETING OF FINANCE COMMITTEE

September 26, 2022 – 10:00 a.m.

Present at the meeting were Chair, Anthea Hansen; Vice Chair, Paul Sethy; and Committee member Linda J. LeZotte. Committee member John Coleman was absent.

1.1 August 25, 2022 Finance Committee Meeting Summary. The draft summary of the August 25, 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 September 14, 2022 Board of Directors’ meeting. No changes were made by the Committee.

1.2 Review of Interim Funding Agreement. The Finance Committee previously reviewed the draft Interim Funding Agreement (“IFA”) at its August 25 meeting and requested that an updated draft be presented at a subsequent Finance Committee meeting. Deputy Interim Administrator Maureen Martin gave a presentation regarding the IFA and issues that Members have identified with respect to the interplay and overlap of the IFA and Multi-Party Cost-Sharing Agreement Amendment No. 4. Based on the feedback from Members, staff is now recommending that the IFA be delayed and not go into effect until July 1, 2023 to cover FY 2024, with the Multi-Party Cost-Sharing Agreement Amendment No. 4 to be in effect through June 30, 2023. With that revision, the two agreements will not overlap, which will resolve Members’ concerns regarding potential confusion and duplicative obligations. Some drafting will need to be done to Amendment No. 4 to include the Authority as a new party to that agreement. The Committee concurred in the revised funding approach.

1.3 Discussion of WIFIA Loan Credit Rating. The Project’s financial advisor, David Moore of Clean Energy Capital, made a presentation regarding the necessary actions for the Authority to obtain the credit rating required by the U.S. Environmental Protection Agency (USEPA) for the contemplated WIFIA loan. That credit rating 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.

1.4 Draft Treasurer’s Report – Month Ended August 31, 2022. The Draft Treasurer’s Report for August 2022 was presented by Interim Administrator Marguerite Patil. She

noted a typographical error on the date of the next Finance Committee meeting date, which should be October 27 and not September 27. Chair Hansen then requested that the acronym for San Luis & Delta-Mendota Water Authority be added to the list of acronyms.

FUTURE AGENDA ITEMS:

- Chair Hansen stated the recent meeting with USEPA in Washington, D.C. went very well and was very informative.
- Executive Director Taryn Ravazzini advised that USEPA was extremely pleased to meet members of the JPA, gave positive feedback on the Authority's WIFIA loan Letter of Interest (LOI) and complimented staff on their excellent work on the LOI.
- General Counsel Ciampa informed the Committee that the scheduled date of the November Finance Committee meeting is Thanksgiving Day. He will poll the Committee Members and staff to determine availability for a revised Committee meeting date.

The meeting adjourned at 11:00 a.m.

James D. Ciampa

James D. Ciampa
General Counsel