



**San Luis & Delta-Mendota Water Authority
Monday, December 4, 2023, 12:00 p.m.**

**Notice of Finance & Administration Committee Regular Meeting and
Joint Finance & Administration Committee Regular Meeting-Special Board
Workshop**

**SLDMWA Boardroom
842 6th Street, Los Banos**

Public Participation Information

Join Zoom Meeting

<https://us02web.zoom.us/j/88230592314?pwd=OHhCZUo0dmIxTUZMY3AxbUdmTlplZz09>

Meeting ID: 882 3059 2314

Passcode: 790629

One tap mobile

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NOTE: Any member of the public may address the Finance & Administration Committee/Board concerning any item on the agenda before or during consideration of that item.

Because the notice provides for a regular meeting of the Finance & Administration Committee ("FAC") and a joint regular FAC Meeting/Special Board workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only FAC Members/Alternates may correct or add to the agenda or vote on action items.

NOTE FURTHER: Meeting materials have been made available to the public on the San Luis & Delta-Mendota Water Authority's website, <https://www.sldmwa.org>, and at the Los Banos Administrative Office, 842 6th Street, Los Banos, CA 93635.

Agenda

1. Call to Order/Roll Call
2. Finance & Administration Committee to Consider Additions or Corrections to the Agenda for the Finance & Administration Committee Meeting only, as Authorized by Government Code Section 54950 et seq.
3. Opportunity for Public Comment – Any member of the public may address the Finance & Administration Committee/Board concerning any matter not on the Agenda, but within the Committee's or Board's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Finance & Administration Committee may waive this limitation.

ACTION ITEMS

4. **Finance & Administration Committee to Consider Approval of November 6, 2023 Meeting Minutes**
5. **Finance & Administration Committee to Consider Recommendation to Board of Directors to Adopt Resolution Authorizing Execution of Agreement with U.S. Bureau of Reclamation Technical Service Center for Final Design and Specifications for Upper DMC Rehabilitation, DMC Subsidence Correction Project, and Related Expenditure of up to \$5,700,000 from FY24 EO&M Budget and DWR Conveyance Subsidence Program Grant Funds, Arroyave/McNeil**

REPORT ITEMS

6. FY24 Activity Agreements Budget to Actual Report through 10/31/23
7. FY24 O&M Budget to Actual Report through 10/31/23
8. Procurement Activity Reports
9. Executive Director's Report, Barajas
(May include reports on activities within the Finance & Administration Committee's jurisdiction related to 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities)
10. Committee Member Reports
11. Reports Pursuant to Government Code Section 54954.2(a)(3)
12. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, via telephone at (209) 826-9696, or via email at cheri.worthy@sldmwa.org or sandi.ginda@sldmwa.org. Requests should be made as far in advance as possible before the meeting date, preferably 3 days in advance of regular meetings or 1 day in advance of special meetings/workshops.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes, or other obligations. Any projections, plans, or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes, or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING AND
JOINT FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING-SPECIAL
BOARD OF DIRECTORS WORKSHOP
MINUTES FOR NOVEMBER 6, 2023

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:00 p.m. at 842 6th Street in Los Banos, California, with Chair Anthea Hansen presiding.

Members and Alternate Members in Attendance

Ex Officio

William Bourdeau

Division 1

Anthea Hansen, Chair/Member

Division 2

Justin Diener, Member

Division 3

Chris White, Member

Division 4

Dana Jacobson, Alternate

Division 5

Bill Pucheu, Member - Manny Amorelli, Alternate

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Board of Directors Present

Division 1

Anthea Hansen, Director

Division 2

Justin Diener, Alternate

William Bourdeau, Vice-Chair/Director

Division 3

Chris White, Alternate

Division 4

Steve Wittry, Director

Division 5

Bill Pucheu, Director

Manny Amorelli, Director

Authority Representatives Present

Pablo Arroyave, Chief Operating Officer

Scott Petersen, Water Policy Director

Rebecca Akroyd, General Counsel

Rebecca Harms, Deputy General Counsel
Raymond Tarka, Director of Finance
Lauren Viers, Accountant III
Bob Martin, Facilities O&M Director
Jaime McNeill, Engineering Manager
Chauncey Lee, O&M Manager
Deanna Ratliff, Accountant II
Stewart Davis, IT Officer

Others in Attendance

Bobbie Ormonde, Westlands Water District (ZOOM)

1. Call to Order/Roll Call

Chair Anthea Hansen called the meeting to order at approximately 12:00 p.m. and roll was called.

2. Additions or Corrections to the Agenda

No additions or corrections.

3. Opportunity for Public Comment

No public comment.

4. Finance & Administration Committee to Consider Approval of the September 11, 2023 Meeting Minutes.

On a motion made by Alternate Member Wilson Orvis, seconded by Member Chris White, the Committee approved the September 11, 2023 meeting minutes with no corrections. The vote on the motion was as follows:

AYES: Bourdeau, Hansen, Diener, White, Jacobson, Pucheu, Orvis
NAYS: None
ABSTENTIONS: None

5. Finance & Administration Committee to Consider Recommendation to Board of Directors to Accept the Treasurer’s Report for the Quarter Ending September 30, 2023.

Director of Finance Raymond Tarka briefly reviewed the Treasurer’s Report. On a motion of Member Bill Pucheu, seconded by Alternate Member Wilson Orvis, the Committee accepted the Treasurer’s Report for the quarter ending September 30, 2023. The vote on the motion was as follows:

AYES: Bourdeau, Hansen, Diener, White, Jacobson, Pucheu, Orvis

NAYS: None
ABSTENTIONS: None

6. Finance & Administration Committee to Consider Recommendation to Board of Directors to Adopt Resolution Authorizing Application for Extended Repayment and Funding in the Amount of up to \$873.1M from the Aging Infrastructure Account in Fiscal Year 2024 for Extraordinary Maintenance Work on O’Neill Pumping-Generating Plant and the Delta-Mendota Canal.

Chief Operating Officer Pablo Arroyave referred to the memo provided to the committee. Arroyave stated Authority staff is recommending submitting an application to fund the DMC Subsidence Correction Project for up to \$805 million and the O’Neill Pumping Plant Project for \$68.1 million. If selected, staff would negotiate a 30 to 50-year repayment contract. On a motion of Member Bill Pucheu, seconded by Alternate Member Dana Jacobson, the Committee adopted Resolution authorizing application for extended repayment and funding in the amount of up to \$873.1M from the Aging Infrastructure Account in Fiscal Year 2024 for extraordinary maintenance work on O’Neill Pumping-Generating Plant and the Delta-Mendota Canal. The vote on the motion was as follows:

AYES: Bourdeau, Hansen, Diener, White, Jacobson, Pucheu
NAYS: None
ABSTENTIONS: Orvis

7. Finance & Administration Committee to Consider Recommendation to Board of Directors Regarding Emergency Reserve Fund Expenditure Repayment.

Chief Operating Officer Pablo Arroyave introduced the item. Arroyave began by providing background on the process with Reclamation in order to use reserve funds. Arroyave stated there are two projects that will need to be funded by the reserves, the first being repairs to check 18 for up to \$500,000 and DMC at Saalado Creek for \$750,000. Per recommendation by the committee, staff is seeking repayment over 2 years collected through water rates. On a motion of Member Justin Diener, seconded by Alternate Member Wilson Orvis, the Committee approved recommendation to Board of Directors regarding Emergency Reserve Fund expenditure repayment. The vote on the motion was as follows:

AYES: Bourdeau, Hansen, Diener, White, Jacobson, Pucheu, Orvis
NAYS: None
ABSTENTIONS: None

8. Finance & Administration Committee to Consider Recommendation to Board of Directors to Approve the Proposed Fiscal Year 2025 OM&R Budget, including Routine OM&R and Extraordinary OM&R/Capital Improvement Project Budgets.

Chief Operating Officer Pablo Arroyave introduced the item. Arroyave provided an overview of the proposed budget. Arroyave then noted areas with significant change from the prior year budget, draft rates information, and salary placeholders. On a motion of Alternate Member Dana Jacobson, seconded by Member Justin Diener, the Committee approved the proposed Fiscal Year 2025 OM&R Budget, including Routine OM&R and Extraordinary OM&R/Capital Improvement Project Budgets. The vote on the motion was as follows:

AYES:	Bourdeau, Hansen, Diener, White, Jacobson, Pucheu, Orvis
NAYS:	None
ABSTENTIONS:	None

REPORT ITEMS

9. FY23 Activity Agreements Budget to Actual Report through 9/30/2023

Director of Finance Raymond Tarka presented the Budget to Actual Report through September 30, 2023 for the Activity Agreement funds. Tarka stated for the six-month period, the budget was trending positive overall with actual spending through September 30, 2023 at 36.54% of the approved budget.

10. FY23 O&M Budget to Actual Report through 9/30/23

Director of Finance Raymond Tarka reported that for WY23, the self-funded routine O&M expenses through September 30, 2023 were over budget by \$655,527. This is mainly due to over-budget DWR conveyance charges for DCI activity. The water year 2022 final accountings, fiscal year 2023 audit, and the Intertie OM&R true-up remain outstanding.

II. Procurement Activity Report

Director of Finance Raymond Tarka presented the procurement activity report for the period of September 26th through October 31st. On September 27th, the Authority awarded a contract to Frank A. Olsen Co. for S.P. Kinney automatic self-cleaning strainer purchase. The contract amount was \$75,125.13 and the funding source is the EO&M budget. On October 3rd, the Authority awarded a contract to F.D. Thomas, Inc. for plant water storage tank rehab. The contract amount was \$200,112 and the funding source is the EO&M budget. On October 25th, the Authority awarded a contract to Mountain F. Enterprises, Inc. for wood grinding and pole

disposal. The contract amount was \$61,145 and the funding source is the O&M budget. One contract change order was issued on October 24th to F.D. Thomas, Inc. in the amount of \$3,485 for plant water storage tank rehab change order 1.

12. Executive Director's Report

Chief Operating Officer Pablo Arroyave provided updates to the committee on behalf of Executive Director Federico Barajas.

- a. **Budget Workshop** – Arroyave stated that there will be a budget workshop in December, however, the date has not been set.
- b. **SWRCB Phase 2 Update** – Arroyave updated the committee regarding the State Water Resources Control Board water quality control plan update, including opportunity for public review and comment. Water Policy Director Scott Petersen provided further detail.

13. Committee Member Reports

No reports.

14. Reports Pursuant to Government Code Sec 54954.2

No reports.

15. Adjournment.

The meeting was adjourned at approximately 1:16 p.m.