



**San Luis & Delta-Mendota Water Authority  
Monday, November 2, 2020, 12:00 p.m.**

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

**Join Zoom Meeting**

<https://us02web.zoom.us/j/84937078058?pwd=ajFyRFJ3S2d3amJsU04yR2ZoaFp5UT09>

**Meeting ID: 849 3707 8058**

**Passcode: 430101**

**One tap mobile**

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**+12532158782,84937078058#,0#,430101# US (Tacoma)**

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**Meeting ID: 849 3707 8058**

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**Find your local number: <https://us02web.zoom.us/j/84937078058?pwd=ajFyRFJ3S2d3amJsU04yR2ZoaFp5UT09>**

NOTE: In accordance with the Governor's Executive Order (N-29-20) and the declared State of Emergency as a result of the threat of COVID-19, members of the Finance & Administration Committee, Board of Directors, and Water Authority staff will be participating in this meeting remotely from multiple locations. This meeting will occur exclusively through ZOOM. If members of the public have any problems using the call-in number during the meeting, please contact the Authority office at 209-826-9696.

NOTE FURTHER: 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, as appropriate.

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

**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 the October 5, 2020 Meeting Minutes**
5. **Finance & Administration Committee to Consider Recommendation to Board of Directors to Accept the Treasurer's Report for the Quarter Ending September 30, 2020**
6. **Finance & Administration Committee to Consider Recommendation to Board of Directors to Accept the Final Fiscal Year (FY) 2020 Audited Financial Statements**
7. **Finance & Administration Committee to Consider Recommendation to Board of Directors Regarding Jones Pumping Plant Unit Rewind Project Financing Options:**
  - a. **Action to Authorize the Executive Director to Execute a Funding Agreement for Jones Pumping Plant Unit Rewind Project with the Friant Water Authority**
  - b. **Resolution Authorizing the Preparation and Distribution of a Preliminary Official Statement with Respect to Revenue Bonds to Finance a Portion of the Extraordinary Maintenance to the Jones Pumping Plant, Authorizing the Execution of Certain Documents, and Authorizing Certain Other Actions in Connection Therewith**
  - c. **Action to Self-Fund the 4th and 5th Units of the Jones Pumping Plant Unit Rewind Project By Including a Reserve Component Rate for the Unit Rewinds in FY22 and FY23 O&M Rates**
8. **Finance & Administration Committee to Consider Recommendation to Board of Directors to Adopt Resolution Updating Banking Relationship with and Signature Requirements for Central Valley Community Bank and Superseding Resolution Nos. 2009-293, 2017-415, and 2020-455**
9. **Finance & Administration Committee to Consider the Operations and Maintenance (O&M) Technical Committee Recommendation to Approve the FY 22 O&M Budget, and Recommendation to Board of Directors Regarding Same**

## **REPORT ITEMS**

10. FY21 Activity Agreements Budget to Actual Report through 9/30/20
11. FY21 O&M Budget to Actual Report through 9/30/20
12. Procurement Activity Report
13. Discussion regarding Development of O&M and Capital Improvement Financing Policy
14. Discussion Regarding Delta-Mendota Canal/California Aqueduct Intertie Cost Allocation
15. 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; 6) COVID-19 response)
16. Committee Member Reports
17. Reports Pursuant to Government Code Section 54954.2(a)(3)
18. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Felicia Luna at the San Luis & Delta-Mendota Water Authority Office via telephone (209) 826-9696 or email [[cheri.worthy@sldmwa.org](mailto:cheri.worthy@sldmwa.org) or [felicia.luna@sldmwa.org](mailto:felicia.luna@sldmwa.org)] at least 3 days before a regular meeting or 1 day before a special meeting/workshop.

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  
TELEPHONIC FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING  
AND  
JOINT TELEPHONIC FINANCE & ADMINISTRATION COMMITTEE REGULAR  
MEETING / SPECIAL BOARD WORKSHOP  
MINUTES FOR October 5, 2020

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:00 p.m. This meeting was held via teleconference/ZOOM in accordance with the Governor's Executive Order (N-29-20) and the declared State of Emergency as a result of the threat of COVID-19, with Chair Rick Gilmore presiding.

**Members and Alternate Members in Attendance**

**Ex Officio**

Cannon Michael  
William Bourdeau

**Division 1**

Rick Gilmore, Member - Anthea Hansen, Alternate

**Division 2**

Bobbie Ormonde, Member

**Division 3**

Absent

**Division 4**

Sara Singleton, Member - Dana Jacobson, Alternate

**Division 5**

Bill Pucheu, Member - Steve Stadler, Alternate

**Friant Water Authority**

Jason Phillips, Member

**Board of Directors Present**

**Division 1**

Anthea Hansen, Director  
Rick Gilmore, Director

**Division 2**

William Bourdeau, Director

**Division 3**

Cannon Michael, Director

**Division 4**

Sara Singleton, Alternate

**Division 5**

Bill Pucheu, Director

Steve Stadler, Director

**Authority Representatives Present**

Federico Barajas, Executive Director  
Rebecca Akroyd, General Counsel  
Pablo Arroyave, Chief Operating Officer  
Scott Petersen, Water Policy Director  
Joyce Machado, Director of Finance  
Lauren Neves, Accountant III  
Stewart Davis, IT Officer

**Others in Attendance**

Don Willard, Friant Water Authority

**1. Call to Order/Roll Call**

Chair and Member Rick Gilmore called the meeting to order at approximately 12:00 p.m.

**2. Additions or Corrections to the Agenda**

There were no additions or corrections.

**3. Opportunity for Public Comment**

There was no public comment.

**4. Finance & Administration Committee to Consider Approval of the September 14, 2020 Meeting Minutes.**

Chair Rick Gilmore pronounced the September 14, 2020 meeting minutes approved.

**REPORT ITEMS**

**5. Discussion regarding Jones Pumping Plant Unit Rewind Financing, including Sources.**

Chief Operating Officer Pablo Arroyave updated the Committee on the status of the Jones Pumping Plant Project Financing. He reviewed a memo provided to the Committee stating that it would be very unlikely the Authority would be awarded the WIFIA loan, therefore staff recommends focusing on public financing. He explained that Friant Water Authority requested the ability to pay their share outside of the bond issuance and reviewed the table in the packet showing the payment schedule if Friant were to do this. However, if Friant were to do this, the Authority could still seek a smaller amount of public financing, which could result in a higher interest rate. Arroyave then turned it over to General Counsel Rebecca Akroyd to review a draft

funding agreement term sheet created in the event the Authority were to move forward in this direction.

**6. FY21 Activity Agreements Budget to Actual Report through 8/31/20.**

Director of Finance Joyce Machado reported on the Budget to Actual Comparison Summary for March 1, 2020 through August 31, 2020 for the member-funded activities. Machado stated that for the six-month period, the budget was trending positive with overall spending through August 31, 2020 at 35.43% of the approved budget.

**7. FY21 O&M Budget to Actual Report through 8/31/20.**

Director of Finance Joyce Machado reported to the Committee that for WY20 the self-funded routine O&M expenses through August 31, 2020 were under budget by \$2,607,660. Joyce reminded the committee that WY19 draft contractor records were mailed out and minor exceptions have been resolved with the goal of December 2020 to complete WY19 final accountings. The WY17 final accountings are completed and were mailed to water users on September 28<sup>th</sup>. Staff plans to complete WY18 final accountings soon and the Intertie O&M cost recovery remains outstanding.

**8. Procurement Activity Report.**

Director of Finance Joyce Machado presented the procurement activity report through September 2020. On September 18<sup>th</sup> the Authority executed a letter of agreement with the Bureau for design services for O'Neil Pumping Plant main transformer rehab. The contract was for \$325,000 and is an EO&M approved project.

**9. Executive Director's Report.**

Executive Director Federico Barajas updated the Committee on the San Luis Transmission Project. Authority staff has been working with Reclamation and Western Area Power Administration (WAPA) to develop a Request for Proposal (RFP) to seek potential investors. Barajas stated that Foley & Lardner LLP (Foley) has experience with power marketing in CA and has provided the Authority advice on how to enlist interest from other potential private entities. As a result, an RFP has been drafted and is to be sent out to the appropriate people by the end of the day for review. Foley will also be helping the Authority with the release and outreach necessary to be able to go out with the RFP. Frances has also been working with a solar company to review

their proposals. The Authority is taking the approach of expressing their preference for the 50/50 investment scenario as previously discussed with the committee.

Federico's second update was regarding the Sacramento office space. He explained that he met with Kronick and they are in the process of completing negotiations with a new landowner and he is working closely with them to secure office space needed for the Authority. The expectation is that the current lease arrangements with Kronick will carry over into the new office. The move will be taking place at the beginning of the calendar year.

Lastly, Federico mentioned that the Authority is working with a consulting firm that was recently awarded the contract to complete a salary survey. An Ad hoc committee comprised of FAC members has been formed and will be working on who the consultant should go out and survey and ensuring deliverables meet timeline requirements for the Authority's FY22 budget.

**10. Committee Member Reports.**

No reports given.

**11. Reports Pursuant to Government Code Sec 54954.2**

No reports given.

**12. Agenda Item 13: Adjournment.**

The meeting was adjourned at approximately 12:50 p.m.