



**San Luis & Delta-Mendota Water Authority
Monday, September 9, 2024, 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
(List of Member/Alternate Telephonic Locations Attached)**

Public Participation Information

Join Zoom Meeting

<https://us02web.zoom.us/j/83857163005?pwd=dWxzL0xLR0RnMnlUWjhzMHE3aE94QT09>

Meeting ID: 838 5716 3005

Passcode: 458789

One tap mobile

+16699006833,,83857163005#,,,,*458789# US (San Jose)

+16694449171,,83857163005#,,,,*458789# US

Dial by your location

• +1 669 900 6833 US (San Jose)

• +1 669 444 9171 US

Find your local number: <https://us02web.zoom.us/j/83857163005?pwd=dWxzL0xLR0RnMnlUWjhzMHE3aE94QT09>

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. **Approval of August 5, 2024 Meeting Minutes**
5. **Recommendation to Authorize Execution of Professional Services Agreement and Task Order with the Hallmark Group for Project Management and Design Review Services for the DMC Subsidence Correction Project and Related Expenditure of up to \$470,375 from DWR Grant Funds, Arroyave/McNeil**
6. **Recommendation to Authorize Execution of Task Orders with DHR Hydro Services for Project Management of the O'Neill Pumping Plant Transformer Rehabilitation and Jones Pumping Plant Excitation Cabinet and Control Panel Refurbishment Projects and Related Expenditure of up to \$184,940 from EO&M Budgets, Arroyave/McNeil**
7. **Recommendation to Authorize Execution of Financial Assistance Agreement with the U.S. Department of Interior, Bureau of Reclamation, for the Delta-Mendota Canal – Solar-Over-Canals Project, Arroyave**

REPORT ITEMS

8. Discussion Regarding Payment of OM&R Water Rates for Water Transfers, Tarka
9. FY25 Activity Agreements Budget to Actual Report through 7/31/24
10. FY25 O&M Budget to Actual Report through 7/31/24
11. Procurement Activity Reports
12. 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)
13. Committee Member Reports
14. Reports Pursuant to Government Code Section 54954.2(a)(3)
15. 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/>.

SLDMWA FINANCE & ADMINISTRATION COMMITTEE
REGULAR MEETING TELEPHONIC LOCATIONS
SEPTEMBER 9, 2024

2535 Dover Court
Lakewood, CO 80215

**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 AUGUST 5, 2024**

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:03 p.m. at 842 6th Street in Los Banos, California, with Chair Anthea Hansen presiding.

Members and Alternate Members in Attendance

Ex Officio

Cannon Michael
William Bourdeau

Division 1

Anthea Hansen, Chair/Member

Division 2

Justin Diener, Member

Division 3

Chris White, Member - Jarrett Martin, Alternate

Division 4

Dana Jacobson, Member

Division 5

Manny Amorelli, Alternate

Friant Water Authority

Wilson Orvis, Alternate

Board of Directors Present

Division 1

Anthea Hansen, Director

Division 2

Justin Diener, Alternate
William Bourdeau, Director

Division 3

Chris White, Alternate
Jarrett Martin, Director
Cannon Michael, Chair/Director

Division 4

Absent

Division 5

Manny Amorelli, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer (via ZOOM)
Scott Petersen, Water Policy Director

Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Raymond Tarka, Director of Finance
Lauren Viers, Accounting Manager
Jaime McNeill, Engineering Manager (via ZOOM)
Stewart Davis, IT Officer

Others in Attendance

Jordyn Vannorsdel, Water Wise
John Wiersma, Henry Miller Reclamation District
Brett Miller, San Benito County Water District

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 July 8, 2024 Meeting Minutes.

Chair Anthea Hansen deemed the July 8, 2024 meeting minutes approved with minor corrections.

5. Recommendation to Board of Directors to Accept the Treasurer's Report for the Quarter Ending June 30, 2024.

Director of Finance Raymond Tarka briefly reviewed the Treasurer's Report. Tarka stated that total cash as of June 30, 2024 was \$21,699,734.08. On a motion made by Member Dana Jacobson, seconded by Alternate Wilson Orvis, the Committee accepted the Treasurer's Report for the Quarter Ending June 30, 2024. The vote on the motion was as follows:

AYES: Michael, Bourdeau, Hansen, Diener, White, Jacobson, Amorelli, Orvis

NAYS: None

ABSTENTIONS: None

6. Recommendation to Board of Directors to Approve Adjustment to Water Year 2024

OM&R Water Rates and Separate Billing of Project Use Energy (PUE) True-Up According to Water Year Benefits.

Chief Operating Officer Pablo Arroyave introduced the item and then referred to Director of Finance Raymond Tarka. Tarka noted the changes that would be affecting rates which included 1) the increase to south-of-Delta ag allocation from 40% to 50%, 2) the revised MOU with Friant, which includes the amended OM&R cost recovery plan with revisions to cost sharing arrangements and additional cost pools, and 3) revised repayment schedules for the Jones Pumping Plant Unit Rewind Project. Tarka also noted that separate billing will be completed to cover the cost of the PUE true up using interim final accountings for water years 2022 and 2023. On a motion of Member Justin Diener, seconded by Alternate Member Wilson Orvis, the Committee approved adjustment to Water Year 2024 OM&R Water Rates and separate billing of Project Use Energy (PUE) true-up according to water year benefits. The vote on the motion was as follows:

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

7. Recommendation to Board of Directors to Adopt Resolution Authorizing Award of Contract, Execution of Professional Services Agreement with SANDIS Engineering for DMC Subsidence Utility Locating and Mapping Services, and Related Expenditure of Up to \$2.14M from the DWR Subsidence Correction Project Grant Funds, and CEQA Exemption.

Chief Operating Officer Pablo Arroyave presented the item then referred to Engineering Manager Jaime McNeill to provide additional information on the scope of work related to the contract with SANDIS. McNeil answered questions from Committee members during her presentation. On a motion of Member Justin Diener, seconded by Member Dana Jacobson, the Committee adopted resolution authorizing award of contract, execution of Professional Services Agreement with SANDIS Engineering for DMC Subsidence Utility Locating and Mapping Services, and related expenditure of up to \$2.14M from the DWR Subsidence Correction Project Grant Funds, and CEQA Exemption. The vote on the motion was as follows:

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

REPORT ITEMS

8. **FY23 Activity Agreements Budget to Actual Report through 6/30/2024**

Director of Finance Raymond Tarka presented the Budget to Actual Report through June 30, 2024 for the Activity Agreement funds. Tarka stated for the four-month period, the budget was trending positive overall with actual spending ending June 30, 2024 at 14.67% of the approved budget.

9. **FY23 O&M Budget to Actual Report through 6/30/2024**

Director of Finance Raymond Tarka reported that for WY24, the self-funded routine O&M expenses through June 30, 2024 were over budget by \$265,490. This is mainly due to the timing of expenditures for O&M expenses in most cost pools and labor expenses that will not be allocated to specific projects until later in the year. The USBR FY23 PUE true-up, water year 2022 final accountings, fiscal year 2023 and 2024 audits, and the Intertie OM&R true-up remain outstanding.

10. **Procurement Activity Report**

Director of Finance Raymond Tarka presented the procurement activity report for the period of July 1, 2024 through July 31, 2024. During this period, there was one contract awarded under the Authority's single source procurement procedures. On July 17th, a contract was awarded to Pentair for O'Neill Pumping / Generating plant unity upgrades project. The contract amount is \$18,701,418 and the funding source is the EO&M budget. On July 11th, a contract change order was issued to DRS Marine for DMC MP 41.49 Liner Repair. The contract change order amount is \$16,674.10.

II. **Executive Director's Report.** Executive Director Federico Barajas provided the following updates:

- a. **Planning Committee** – Executive Director Federico Barajas reported that he has been coordinating with Divisions to appoint members for the Planning Committee. Barajas reported that the initial plan is to have the first meeting next month after the Finance & Administration Committee meeting.
- b. **Intertie Repairs** – Executive Director Federico Barajas referred to Chief Operating Officer Pablo Arroyave to discuss the arc flash incident on June 30th. Arroyave noted the Intertie has been shut down since the incident and during testing, the UPS failed to operate properly after WAPA powered and unpowered their lines

multiple times. The UPS has been replaced and staff is looking to have JPP back at a 5-unit operation and 4 intertie units running by Thursday. Units 1 and 2 will need further repairs but all demands will be met with the remaining four operating units.

- c. PUE – Executive Director Federico Barajas has reached out to CVPWA regarding support for pursuing different PUE cost recovery methodologies going forward.

12. Committee Member Reports

No reports.

13. Reports Pursuant to Government Code Sec 54954.2

No reports.

14. Adjournment.

The meeting was adjourned at approximately 12:56 p.m.