

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
REGULAR FINANCE & ADMINISTRATION COMMITTEE MEETING AND JOINT
REGULAR FINANCE & ADMINISTRATION COMMITTEE MEETING – SPECIAL
BOARD WORKSHOP MINUTES NOVEMBER 4, 2019**

The Regular Finance & Administration Committee Meeting and Joint Regular Finance & Administration Committee Meeting and Special Board Workshop 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 Rick Gilmore presiding.

Members and Alternate Members in Attendance

Ex Officio

Cannon Michael

Division 1

Rick Gilmore, Member - Anthea Hansen, Alternate

Division 2

Bobbie Ormonde, Alternate

Division 3

Chris White, Member

Division 4

Sara Singleton, Member - Dana Jacobson, Alternate

Division 5

Bill Pucheu, Member - Steve Stadler, Alternate

Friant Water Authority

Absent

Board of Directors Present

Division 1

Anthea Hansen, Director

Rick Gilmore, Director

Division 2

Absent

Division 3

Cannon Michael, Director

Chris White, Director

Ric Ortega, Director

Division 4

Jeff Cattaneo, Director

Sara Singleton, Alternate

Division 5

Bill Pucheu, Director

Tom Birmingham, Director

Steve Stadler, Director

Authority Representatives Present

Federico Barajas, Executive Director
Frances Mizuno, Assistant Executive Director
Rebecca Akroyd, General Counsel
Joyce Machado, Director of Finance
Scott Petersen, Water Policy Director
Lauren Neves, Accountant III
Bob Martin, Engineering Manager

Others in Attendance

Don Willard, Friant Water Authority

1. Call to Order

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

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Additions or Corrections to the Agenda

There were no additions or corrections.

4. Opportunity for Public Comment

There was no public comment.

ACTION ITEMS

5. Finance & Administration Committee to Consider Approval of the October 10, 2019 Meeting Minutes.

The October 10, 2019 meeting minutes were approved without any correction. The Committee action is reported as follows:

AYES: Michael, Gilmore, Ormonde, White, Singleton, Pucheu

NOES: None

ABSTENTIONS: None

6. Finance & Administration Committee to Consider Recommendation to the Board of Directors to Accept the Treasurer's Report for the Quarter Ending 9/30/19.

Director of Finance Joyce Machado reported to the Committee that for quarter ending September 30, 2019, the operational cash was \$59,078,484, DHCCP cash balance was \$3,893,018,

for a total cash balance of \$62,971,502. Committee Member Bill Pucheu made the motion to recommend the Board of Directors accept the Treasurer's Report for the quarter ending 9/30/19. The motion was seconded by Committee Member Sara Singleton and passed unanimously. The Committee action is reported as follows:

AYES: Michael, Gilmore, Ormonde, White, Singleton, Pucheu

NOES: None

ABSTENTIONS: None

7. Finance & Administration Committee to Consider Recommendation to the Board of Directors to Approve the Fiscal Year 21 and Preliminary Fiscal Year 22 Operations and Maintenance (O&M) Budget.

Assistant Executive Director Frances Mizuno and Engineering Manager Bob Martin presented the fiscal year 2021 draft O&M budget. Mizuno stated that the overall budget increased by approximately 23% from the fiscal year 2020 O&M budget. Staff, Committee members, and Board members discussed the increase, which was described as mainly due to the addition of five new positions and two conversion positions, the 2% salary increase placeholder, and additional EO&M projects. Committee Member Sara Singleton made the motion to recommend the Board of Directors approve the Fiscal Year 2021 and Preliminary Fiscal Year 2022 O&M Budget. The motion was seconded by Committee Member Bill Pucheu and passed unanimously. The Committee action is reported as follows:

AYES: Michael, Gilmore, Ormonde, White, Singleton, Pucheu

NOES: None

ABSTENTIONS: None

8. Finance & Administration Committee to Consider Recommendation to the Board of Directors to Approve the Expenditure of up to \$300,000 from the Leg/Ops Budget for Work Associated with the B.F. Sisk Dam Raise Project.

Executive Director Federico Barajas discussed the current status of the B.F. Sisk Dam Raise Project. He explained that the expenditure request of \$300,000 would cover alternatives formulation through the end of fiscal year 2020. Alternatively, an expenditure of up to \$500,000 would cover alternatives formulation plus the initiation of a feasibility study and environmental analysis through the end of fiscal year 2020. Committee Member Bill Pucheu made the motion to recommend the Board of Directors approve the expenditure of up to \$500,000 from the budget for

work associated with the B.F. Sisk Dam Raise Project through February 2020. The motion was seconded by Committee Member Rick Gilmore and passed unanimously. The Committee action is reported as follows:

AYES: Michael, Gilmore, Ormonde, White, Singleton, Pucheu

NOES: None

ABSTENTIONS: None

REPORT ITEMS

9. Executive Director's Report

Executive Director Federico Barajas announced the hire of a new Chief Operating Officer, Pablo Arroyave. His report date will be November 21, 2019.

Barajas also updated Committee and Board members on the invitation to submit the WIFIA application as a result of the Letter of Interest submitted by the Authority in early July to fund the Jones Pumping Plant Unit Rewind Project. The overall cost of this application and consultant costs are estimated to be \$300,000 with the target deadline of March 2020.

10. Reports Pursuant to Government Code Sec 54954.2

Director of Finance Joyce Machado reported that both the fiscal year 2018 and 2019 audits will be finalized with the auditor in December to be presented at Finance & Administration Committee and Board meetings in January 2020.

11. Adjournment.

The meeting was adjourned at approximately 1:35 p.m.