

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 4, 2021

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:00 p.m. at 842 6th Street, Los Banos, California, and via teleconference in accordance with Government Code section 54953(e) and Resolution No. 2021-488 adopted by the Board of Directors on September 30, 2021, with Chair Rick Gilmore presiding.

Members and Alternate Members in Attendance

Ex Officio

William Bourdeau (via Teleconference)

Division 1

Rick Gilmore, Member - Anthea Hansen, Alternate

Division 2

Bobbie Ormonde, Member (via Telephone)

Division 3

Chris White, Member - Jarrett Martin, Alternate (both via Teleconference)

Division 4

Sara Singleton, Member - Dana Jacobson, Alternate (both via Teleconference)

Division 5

Bill Pucheu, Member (via Teleconference) - Manny Amorelli, Alternate

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Board of Directors Present

Division 1

Anthea Hansen, Director

Rick Gilmore, Director

Division 2

William Bourdeau, Director

Division 3

Chris White, Director - Jarrett Martin, Alternate (both via Teleconference)

Division 4

Sara Singleton, Alternate for Joseph Tonascia (via teleconference)

Division 5

Bill Pucheu, Director (via teleconference)

Manny Amorelli, 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
Frances Mizuno, Special Projects Administrator
Stewart Davis, IT Officer

Others in Attendance

None

1. Call to Order/Roll Call

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

2. Additions or Corrections to the Agenda

General Counsel Rebecca Akroyd noted one correction to the agenda; the note at the very top of the agenda should state Resolution 2021-488.

3. Opportunity for Public Comment

No public comment.

4. Finance & Administration Committee to Consider Approval of the September 13, 2021 Meeting Minutes.

Chair Rick Gilmore pronounced the September 13, 2021 meeting minutes approved without any revisions.

5. Finance & Administration Committee to Consider Recommendation to Board of Directors to Adopt Resolution Providing for the Issuance of Revenue Bonds to Finance the San Luis Transmission Project, Authorizing the Execution of Certain Documents, and Authorizing Certain Other Actions in Connection Therewith.

Special Projects Administrator Frances Mizuno presented the item and then introduced Robert Porr to walk through the PowerPoint presentation regarding the San Luis Transmission Project. Porr discussed various aspects of the project regarding necessary agreements, O&M rate payments, and money collected by the U.S. Bureau of Reclamation from other CVP contractors.

Porr also discussed the need for a liquidity reserve of \$2.2 million assuming the \$282 million project cost. Bond Counsel Doug Brown then provided an overview of key legal documents and reviewed power point slides regarding the Authority's current O&M obligations and the actions that would take place in the event of a non-payment.

In the discussion, Member Bobbie Ormonde identified a need to revise the proposed resolution to modify the sixth whereas to read: "Whereas, one or more Authority member agencies are expected to agree to provide the payment..." The Committee members agreed with this revision. Other members also asked questions, which were addressed by staff and consultants.

Member Bill Pucheu made the motion to adopt revised Resolution Providing for the Issuance of Revenue Bonds to Finance the San Luis Transmission Project, Authorizing the Execution of Certain Documents, and Authorizing Certain Other Actions in Connection Therewith. The motion was seconded by Ex Officio Member William Bourdeau and passed unanimously. The Committee action is reported as follows:

AYES:	Bourdeau, Gilmore, Ormonde, White, Singleton, Pucheu, Orvis
NOES:	None
ABSTENTIONS:	None

REPORT ITEMS

6. FY22 Activity Agreements Budget to Actual Report through 8/31/21.

Director of Finance Joyce Machado reported on the Budget to Actual Comparison Summary for August 31, 2021 for the member-funded activities. Machado stated that for the six-month period, the budget was trending positive with overall spending through August 31, 2021 at 30.12% of the approved budget.

7. FY22 O&M Budget to Actual Report through 8/31/21.

Director of Finance Joyce Machado reported to the Committee that for WY21 the self-funded routine O&M expenses through August 31, 2021 were under budget by \$968,193. The WY19 and WY20 final accountings and the Intertie O&M cost recovery remain outstanding.

8. Procurement Activity Report.

No contracts were awarded under the Authority's informal bidding, formal bidding, or single-source procedures during this report period. There were also no contract change orders.

9. Executive Director's Report.

Executive Director Federico Barajas reminded the Committee that staff continues to be diligent about ensuring the Authority continues to focus on budget reduction and efficiency throughout the year and on a monthly basis and is extending that focus into the next fiscal year.

Next, Barajas informed the Committee that Staff will be initiating the O&M Technical Committee discussions as it relates to the upcoming fiscal year budget. Staff is in the beginning stages of putting together the proposed fiscal year 2023 RO&M and EO&M budgets. Barajas stated that based on the direction from the Board of Directors last week, the Authority will be discussing the need to establish a reserve capital account as part of the upcoming fiscal year 2023 O&M budget preparation.

Lastly, Barajas provided an update to the Committee on the DMC Subsidence Project. The Authority has been engaging with the state in regards to the \$100 million allocation for subsidence funding. The Governor included \$100 million in the budget for subsidence projects and DWR is the state agency that has been asked to coordinate the allocation of funds to different entities.

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 12:58 p.m.