

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING AND
JOINT FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING / SPECIAL
BOARD WORKSHOP
MINUTES FOR AUGUST 1, 2022**

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 Board Chair Cannon Michael presiding.

Members and Alternate Members in Attendance

Ex Officio

Cannon Michael
William Bourdeau

Division 1

Anthea Hansen, Alternate for Rick Gilmore

Division 2

Bobbie Ormonde, Member

Division 3

Jarrett Martin, Alternate for Chris White

Division 4

Jeff Cattaneo, Member
Dana Jacobson, Alternate

Division 5

Manny Amorelli, Alternate for Bill Pucheu (ZOOM)

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Board of Directors Present

Division 1

Anthea Hansen, Director
Lea Emmons, Alternate for Rick Gilmore (ZOOM)

Division 2

William Bourdeau, Director

Division 3

Jarrett Martin, Alternate for Chris White
Cannon Michael, Director

Division 4

Jeff Cattaneo, Director

Division 5

Manny Amorelli, Director (ZOOM)

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Scott Petersen, Water Policy Director
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel (ZOOM)
Raymond Tarka, Director of Finance
Lauren Viers, Accountant III
Bob Martin, Facilities O&M Director
Jaime McNeill, Engineering Manager
Seth Harris, Water Operations Superintendent
Chauncey Lee, O&M Manager
Stewart Davis, IT Officer

Others in Attendance

Jim Erickson, FWA/MID
Steve Stadler, San Luis Water District
John Wiersma, Henry Miller Reclamation District (ZOOM)
Minnie Moreno, Del Puerto Water District (ZOOM)

1. Call to Order/Roll Call

Ex Officio Member and Acting Committee Chair Cannon Michael called the meeting to order, 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 11, 2022 Meeting Minutes.

Ex Officio Member and Acting Chair Cannon Michael deemed the July 11, 2022 meeting minutes approved without correction.

5. Finance & Administration Committee to Consider Recommendation to Board of Directors to Accept the Treasurer's Report for the Quarter Ending June 30, 2022

Director of Finance Raymond Tarka stated the Authority is currently in compliance then briefly reviewed the Treasurer's Report. On a motion made by Ex Officio Member William

Bourdeau, seconded by Alternate Member Wilson Orvis, the Committee accepted the Treasurer's Report for the quarter ending June 30, 2022. The vote on the motion was as follows:

AYES: Michael, Bourdeau, Hansen, Ormonde, Martin, Cattaneo, Amorelli, Orvis
NAYS: None
ABSTENTIONS: None

6. Finance & Administration Committee to Consider Recommendation to Board of Directors to Adopt Resolution Authorizing Award of Contract, Execution of Construction Agreement for O'Neill Pumping-Generating Plant Power Transformer Rehabilitations, and Expenditure of up to \$3.56 million from the FY22 and FY23 EO&M Budgets; CEQA Exemption.

Chief Operating Officer Pablo Arroyave introduced the item and reviewed the memo. He then referred to Engineering Manager Jaime McNeil to provide background information on the project. McNeil stated that the Authority received one proposal, and staff is recommending contract award pending successful negotiations. The Authority will propose \$1.1 million to be included in the FY24 budget to cover FY24 costs. Water Operations Superintendent Seth Harris reviewed the proposed operations plan that has been reviewed and approved by the Bureau of Reclamation. The project is expected to take place in April 2023. On a motion made by Member Jeff Cattaneo, seconded by Ex Officio Member William Bourdeau, the Committee adopted the Resolution Authorizing Award of Contract, Execution of Construction Agreement for O'Neill Pumping-Generating Plant Power Transformer Rehabilitations, and Expenditure of up to \$3.56 million from the FY22 and FY23 EO&M Budgets; CEQA Exemption. The vote on the motion was as follows:

AYES: Michael, Bourdeau, Hansen, Ormonde, Martin, Cattaneo, Amorelli, Orvis
NAYS: None
ABSTENTIONS: None

REPORT ITEMS

7. Discussion Regarding Cost Allocation of Various Activity/Fund Budgets

Executive Director Federico Barajas reviewed the memo that was presented to the Committee, which included a new tier allocation option. Under this tier allocation option, the cost methodology will change to a tier allocation assessment based on respective CVP water contracts and creates a minimum for membership dues. Barajas asked for any feedback on the presented

information by August 19, 2022.

8. FY23 Activity Agreements Budget to Actual Report through 6/30/2022

Director of Finance Raymond Tarka reported on the Budget to Actual Comparison Summary through June 30, 2022 for the member-funded activities. Tarka stated that for the four-month period, the budget was trending positive overall with actual spending through June 30, 2022 at 17.42% of the approved budget.

9. FY23 O&M Budget to Actual Report through 6/30/22

Director of Finance Raymond Tarka reported that for WY22, the self-funded routine O&M expenses through June 30, 2022 were under budget by \$557,649. This is mainly due to Intertie maintenance costs being under-budget by \$139,075 and \$145,064 due to no Intertie Wheeling activity. The WY20 and WY21 final accountings and the Intertie O&M cost recovery remain outstanding. Tarka stated that staff anticipates the completion of WY20 final accountings by the end of September followed by the completion of WY21 draft contractor records by January 2023.

10. Procurement Activity Report

Director of Finance Raymond Tarka presented the procurement activity report for the period of July 7th through July 27th. During this time, the Authority awarded one contract using single-source procedures. The contract was awarded to Accusonic Technologies, Inc. on July 27th for an Accusonic Flowmeter Console purchase. The contract amount was \$171,367 and the funding source is the EO&M budget. There were no reportable contract change orders issued during this period.

II. Executive Director's Report

a. **San Luis Transmission Project** - Executive Director Federico Barajas stated that the Authority has been able to continue working with Western Area Power Administration (WAPA) and the Department of Energy regarding possibilities with infrastructure investment funding for energy-related projects and are currently waiting for additional details on applicability for SLTP. In addition to the Department of Energy, Golden State Energy has expressed interest in preparing a proposal to potentially fund the project.

b. **Yuba County Site Visit** - Executive Director Federico Barajas informed the committee that there will be a special workshop in Yuba County on August 30th and 31st. The Authority is

currently looking into transportation and lodging arrangements.

12. Committee Member Reports

No reports.

13. Reports Pursuant to Government Code Sec 54954.2

No reports given.

14. Adjournment.

The meeting was adjourned at approximately 12:43 p.m.