

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY  
FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING AND  
JOINT FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING / SPECIAL  
BOARD WORKSHOP  
MINUTES FOR FEBRUARY 6, 2023**

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 Chair Anthea Hansen presiding.

**Members and Alternate Members in Attendance**

**Ex Officio**

Cannon Michael  
William Bourdeau

**Division 1**

Anthea Hansen

**Division 2**

Justin Diener, Member

**Division 3**

Chris White, Member - Jarrett Martin, Alternate

**Division 4**

Joyce Machado, Member - Dana Jacobson, Alternate

**Division 5**

Bill Pucheu, Member

**Friant Water Authority**

Wilson Orvis, Alternate for Jason Phillips

**Board of Directors Present**

**Division 1**

Anthea Hansen, Director

**Division 2**

Justin Diener, Alternate  
William Bourdeau, Director  
Bill Diedrich, Director

**Division 3**

Chris White, Alternate  
Cannon Michael, Director

**Division 4**

Steve Wittry, Director  
Joyce Machado, Alternate

**Division 5**

Bill Pucheu, Director

**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  
Raymond Tarka, Director of Finance  
Laures Stiles, HR Director  
Stewart Davis, IT Officer  
Lauren Viers, Accountant III

**Others in Attendance**

Minnie Moreno, Del Puerto Water District (via ZOOM)  
Bobbie Ormonde, Westlands Water District (via ZOOM)  
Manny Amorelli, James Irrigation District (via ZOOM)

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

Chair Anthea Hansen called the meeting to order at approximately 12:00pm and roll was called.

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

No corrections or additions.

**3. Opportunity for Public Comment**

No public comment.

**4. Finance & Administration Committee to Consider Approval of the January 9, 2023 Meeting Minutes.**

On a motion made by Member Bill Pucheu, seconded by Alternate Wilson Orvis, the Committee approved the January 9, 2023 meeting minutes. The vote on the motion was as follows:

AYES:	Michael, Bourdeau, Hansen, Diener, White, Machado, Pucheu, Orvis
NAYS:	None
ABSTENTIONS:	None

**5. Finance & Administration Committee to Consider Recommendation to Board of Directors to Accept the Treasurer's Report for the Quarter Ending December 31, 2022.**

Director of Finance Raymond Tarka briefly reviewed the Treasurer's Report. On a motion made by Ex Officio Member William Bourdeau, seconded by Member Joyce Machado, the

Committee recommended the Board of Directors accept the Treasurer’s Report for the Quarter Ending December 31, 2022. The vote on the motion was as follows:

AYES: Michael, Bourdeau, Hansen, Diener, White, Machado, Pucheu, Orvis  
NAYS: None  
ABSTENTIONS: None

**6. Finance & Administration Committee to Consider Recommendation to Board of Directors to Appoint Representatives to Association of California Water Agencies – Joint Powers Insurance Authority (ACWA-JPIA) Board of Directors.**

Executive Director Federico Barajas reviewed the memo provided to the committee. Barajas stated that Director and Alternate positions were open for the ACWA-JPIA board. Staff recommends an Authority Director to serve as an ACWA-JPIA Director and Director of Human Resources and Administration Laures Stiles to serve as the Alternate. On a motion made by Ex Officio Member William Bourdeau, seconded by Member Bill Pucheu, the Committee recommended the Board of Directors appoint the named representatives to Association of California Water Agencies – Joint Powers Insurance Authority (ACWA-JPIA) Board of Directors. The vote on the motion was as follows:

AYES: Michael, Bourdeau, Hansen, Diener, White, Machado, Pucheu, Orvis  
NAYS: None  
ABSTENTIONS: None

**7. Finance & Administration Committee to Consider Recommendation to Board of Directors to Approve Water Year 2023 OM&R Water Rates.**

Chief Operating Officer Pablo Arroyave introduced the item and reviewed the memo provided to the committee. Arroyave then referred to Director of Finance Raymond Tarka to provide further detail on the rate calculation based on 0%, 5%, and 10% allocations. Tarka stated that overall water year 2023 OM&R rates were lower than prior year. Staff is recommending water year 2023 OM&R rates be recommended for Board approval assuming a 5% or 10% allocation, using the current ratesetting methodology.

The Committee discussed including minimum participation amounts (25%) in the ratesetting, and the implications of including this amount. Chair Anthea Hansen recommended holding workshops / having more discussion regarding ratesetting methodology, to provide an opportunity for committee members to consider how to make the process for efficient and

effective. Committee members also discussed revising the rates during the year if the contract allocation increases.

On a motion made by Ex Officio Member William Bourdeau, seconded by Member Bill Pucheu, the Committee recommended the Board of Directors approve Water Year 2023 OM&R Water Rates assuming a 10% allocation, using the current ratesetting methodology. The vote on the motion was as follows:

AYES:	Michael, Bourdeau, Hansen, Diener, White, Machado, Pucheu
NAYS:	Orvis
ABSTENTIONS:	None

## REPORT ITEMS

### 8. **FY23 Activity Agreements Budget to Actual Report through 12/31/2022**

Director of Finance Raymond Tarka reported the Budget to Actual Comparison Summary through December 31, 2022 for the member-funded activities. Tarka stated that for the ten-month period, the budget was trending positive overall with actual spending through December 31, 2022 at 46.96% of the approved budget.

### 9. **FY23 O&M Budget to Actual Report through 11/30/22**

Director of Finance Raymond Tarka reported that for WY22, the self-funded routine O&M expenses through December 31, 2022 were under budget by \$1,403,066. The water year 2021 final accountings are to be completed once the fiscal year 2022 audit is finalized. The Intertie true-up remains outstanding, as well as the fiscal year 2022 audited financial statements.

### 10. **Procurement Activity Report**

Director of Finance Raymond Tarka presented the procurement activity report for the period of December 1<sup>st</sup> through January 3<sup>rd</sup>. On December 21<sup>st</sup>, the Authority awarded a single source contract to Terracon Consultants for DMC Subsidence Mitigation Geotechnical Exploration Work phases 2 and 3. The contract amount was \$2,708,556 and the funding source is the EO&M budget. There were no reported contract change orders issued during this period.

### 11. **Executive Director's Report**

Executive Director Federico referred to Director of Finance Raymond Tarka to update the committee on the Authority's upcoming audit actions. Tarka stated that currently the Authority

is engaged with Richardson and Company, LLP to complete our annual audit. This was a three year contract with the option of a two year extension for a total of five years ending with fiscal year 2022. However, state law allow you to use the same auditors for six years before needing to change audit leads. Staff is looking for guidance if we should request a sixth year with the same auditor and a 'not to exceed' amount for the fiscal year 2023 audit. Committee members provided direction to bring a contract extension back to the committee and Board for consideration.

Executive Director Federico Barajas then updated the committee that the Authority is beginning the strategic planning update process. The Authority will hold a workshop in the next few months to begin the dialog.

**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 1:14 p.m.