

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 JUNE 5, 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

William Bourdeau

Division 1

Anthea Hansen, Member - Lea Emmons, Alternate

Division 2

Justin Diener, Member

Division 3

Chris White, Member - Jarrett Martin, Alternate

Division 4

Joyce Machado, Member

Division 5

Bill Pucheu, Member

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Board of Directors Present

Division 1

Anthea Hansen, Director

Lea Emmons, Alternate

Division 2

Justin Diener, Alternate

William Bourdeau, Director

Division 3

Chris White, Alternate

Jarrett Martin, 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 (ZOOM)
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Raymond Tarka, Director of Finance (ZOOM)
Lauren Viers, Accountant III
Darlene Neves, Operational Accounting Supervisor
Stewart Davis, IT Officer

Others in Attendance

Bobbie Ormonde, Westlands Water District (ZOOM)
Minnie Moreno, Del Puerto Water District
John Wiersma, Henry Miller Reclamation District
Brian Nash, Richardson and Company, LLP (ZOOM)
Chase Hurley, Water and Land Solutions
Dana Jacobson (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

General Counsel Rebecca Akroyd noted a correction to agenda item 5, replacing FY 2021 with FY 2022.

3. Opportunity for Public Comment

No public comment.

4. Finance & Administration Committee to Consider Approval of the May 1, 2023 Meeting Minutes.

On a motion made by Member Bill Pucheu, seconded by Alternate Wilson Orvis, the Committee approved the May 1, 2023 meeting minutes with minor corrections. The vote on the motion was as follows:

AYES: 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 Final Fiscal Year 2022 Audited Financial Statements.

Auditor Brian Nash of Richardson and Company, LLP presented the FY22 audited financial statements. Mr. Nash briefly highlighted key items and any significant changes in comparison to the fiscal year 2021 audit. Nash noted that the significant change in the current year was a decrease in cash, both unrestricted and restricted for San Luis Joint Use. This change was due to the completion of final accountings for water year 2018 and 2019 and significant refunds in the current year. Nash also noted a significant increase in prepaids due to a large credit received from Project Use Energy, as well as an increase in receivables for additional units on the JPP Rewind Project. He continued on to review the FY22 audited financial statements in detail. Nash noted minor grammatical changes received from staff and members that will be implemented before the document is considered final. Lastly, Nash reviewed updates made to the notes from the FY21 audited financials to FY22. Nash concluded his presentation by reviewing the Management Letter with suggestions for the Authority. On a motion made by Ex Officio Member William Bourdeau, seconded by Member Bill Pucheu, the Committee recommended the Board of Directors accept the Final Fiscal Year 2022 Audited Financial Statements. The vote on the motion was as follows:

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

REPORT ITEMS

9. **FY23 Activity Agreements Budget to Actual Report through 4/30/2023**

Supervisor of Operational Accounting Darlene Neves presented on Director of Finance Raymond Tarka's behalf. Neves reported the Budget to Actual Comparison Summary through April 30, 2023 for the member-funded activities. Neves stated that for the two-month period, the budget was trending positive overall with actual spending through April 30, 2023 at 6.35% of the approved budget.

10. **FY23 O&M Budget to Actual Report through 4/30/23**

Supervisor of Operational Accounting Darlene Neves presented on Director of Finance Raymond Tarka's behalf. Neves reported that for WY23, the self-funded routine O&M expenses through April 30, 2023 were under budget by \$134,932. This is mainly due to lower operating costs at Jones Pumping Plant and the San Luis Drain. The water year 2021 final accountings and the Intertie OM&R true-up remain outstanding.

11. Procurement Activity Report

Supervisor of Operational Accounting Darlene Neves presented the procurement activity report for the period of April 26th through May 31st. On May 8th, the Authority awarded a construction contract to Cal Electro, Inc. in the amount of \$3,155,800 for O'Neill Pumping-Generating Plant Power Transformer Rehabilitations. This contract was approved by the board in May through the formal RFP process and the funding source is the EO&M budget. There were no reported contract change orders issued during this period.

12. Executive Director's Report

Executive Director Federico Barajas

- a. **Resolution and Golden Bucket Award** – Executive Director Federico Barajas spoke on the passing and celebration of life for Byron Bethany ID (BBID) General Manager and SLDMWA Director Rick Gilmore. The committee took a moment of silence. Barajas stated that the Authority will have a resolution for approval at Thursday's Board meeting along with a Golden Bucket Award to give recognition and due credit for Mr. Gilmore's contributions to the Authority over the past 20+ years.
- b. **B.F. Sisk Dam** – Executive Director Federico Barajas informed the committee that an authorization for a budget increase for the B.F. Sisk Dam Raise project will be brought to the Board meeting on Thursday as an action item. This increase is for the next level of investment that will be required for participating members.
- c. **Water Allocation Update** – Executive Director Federico Barajas updated the committee on the rate adjustment request that was received in the May Finance & Administration Committee meeting. Barajas stated the Authority is giving due consideration to the rate adjustment but are awaiting further components such as the San Luis Reservoir fill date and 215 water that will drive the timing of future adjustments.

13. Committee Member Reports

No reports.

14. Reports Pursuant to Government Code Sec 54954.2

No reports.

15. **Adjournment.**

The meeting was adjourned at approximately 12:45 p.m.