

**San Luis & Delta-Mendota Water Authority
Tuesday, February 27, 2024, 9:30 a.m.**

**OMTC Special Meeting / Joint OMTC Special Meeting – Special Finance &
Administration Committee Workshop
SLDMWA Boardroom
842 6th Street, Los Banos
(List of Member/Alternate Telephonic Locations Attached)**

Public Participation Information

Join Zoom Meeting

<https://us02web.zoom.us/j/87328233279?pwd=QnU4Nzc3cm13OHowa0RqaGZkcXdXUT09>

**Meeting ID: 873 2823 3279
Passcode: 228735**

One tap mobile

**+16699006833,,87328233279#,,,,*228735# US (San Jose)
+16694449171,,87328233279#,,,,*228735# US**

Dial by your location

- +1 669 900 6833 US (San Jose)
- +1 669 444 9171 US

Find your local number: <https://us02web.zoom.us/j/87328233279?pwd=QnU4Nzc3cm13OHowa0RqaGZkcXdXUT09>

NOTE: Any member of the public may address the Committee concerning any item on the agenda before or during consideration of that item, as appropriate. For each item, public comment is limited to no more than three minutes per person. For good cause, the Chair of the O&M Technical Committee may waive this limitation.

NOTE FURTHER: Meeting materials have been made available to the public on the San Luis & Delta-Mendota Water Authority's website, <https://www.sldmwa.org>, and at the Los Banos Administrative Office, 842 6th Street, Los Banos, CA 93635.

Agenda

1. Call to Order/Roll Call
2. O&M Technical Committee to Consider Corrections to the Agenda of Items, as Authorized by Government Code Section 54950 *et seq.*
3. Opportunity for Public Comment – Any member of the public may address the Committee concerning any matter not on the agenda, but within the Committee's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Committee may waive this limitation.

Action Items

4. **Recommendation to Finance & Administration Committee Regarding Reserve Categories and Thresholds, Arroyave/Martin**

Report Items

5. Status of FY25 OM&R Projects, Martin
6. Reports Pursuant to Government Code Section 54954.2(a)(3)
7. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, via telephone at (209) 826-9696, or via email at cheri.worthy@sldmwa.org or sandi.ginda@sldmwa.org. Requests should be made as far in advance as possible before the meeting date, preferably 3 days in advance of regular meetings or 1 day in advance of special meetings/workshops.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes, or other obligations. Any projections, plans, or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes, or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

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Administration Committee Workshop**

TELEPHONIC LOCATIONS
FEBRUARY 27, 2024

723 Brewington Ave
Watsonville, CA 95076

5683 N. Annapolis Ave
Fresno, CA 93723

2412 Hwy. 33
Mendota, CA 93640

52027 W. Althea Avenue
Firebaugh CA 93622

17840 Ward Avenue
Patterson, CA 95363

EXHIBIT C

RESERVES

In recognition of the long term benefits associated with certain OM&R activities, expenditures meeting the criteria established below shall be made from reserve funds accumulated for such purposes.

Reserve Categories:

Extraordinary OM&R

Major non-routine maintenance improvements, modifications, replacements or repairs with long term benefits, exceeding one year, that have a total cost greater than \$20,000, including labor and labor related costs (e.g., liner replacement, structure painting, road repairs/rehab, building and structure construction and/or remodeling, pump/generator rewinds and repairs).

Equipment and Vehicles:

Mobile or stationary equipment with a purchase price exceeding \$15,000 (e.g., pumps, compressors, trailers, generators, motors, control mechanisms);

Heavy equipment with a purchase price exceeding \$20,000 (e.g., dump trucks, cranes, loaders, excavators, motor graders, forklifts, tractors, belly dumps);

Passenger/utility vehicles with a purchase price exceeding \$15,000 (e.g., sedans, pickups, utility vehicles, vans); and Office and electronic equipment and computer software with an annual aggregate purchase price exceeding \$20,000 (e.g., computers and peripherals, copiers, printers, telecommunications, radios, electronic instrumentation-excepting replacement parts, upgrades or peripherals with a purchase price of less than \$1,000, e.g., monitors, modems, keyboards, hard drives, RAM, mother boards, printer drums, repairs)

Emergency Reserves:

As mandated per Article 13 of the General Form Agreement for the Transfer of the Operation, Maintenance, and Replacement, and Certain Financial and Administrative Activities of the Delta-Mendota Canal and Related Works, between the United States Department of Interior Bureau of Reclamation and the San Luis & Delta-Mendota Water Authority.

Other:

As may be recommended for the OM&R of the Project Facilities by the Finance Committee and determined as necessary and approved by the Board of Directors of the San Luis & Delta-Mendota Water Authority

EXHIBIT C

RESERVE CRITERIA

In recognition of the long-term benefits associated with certain OM&R activities, expenditures meeting the criteria established below will be made from Reserve funds accumulated for such purposes, consistent with Section VI.F. of the SLDMWA OM&R Cost Recovery Plan.

1. Reserve Categories:

A. Major Non-Routine Maintenance/Extraordinary OM&R:

- i. Major non-routine maintenance improvements, modifications, replacements, or repairs, additions, or modernizations with long term benefits, exceeding one year, that have a total cost greater than **\$60,000**, including labor and labor related costs for projects identified on the Ten-Year Plan.
- ii. For any Extraordinary OM&R project for which SLDMWA's estimated total project cost is greater than 50% of the current year's routine OM&R Budget, excluding power and Reserves costs, the Planning Committee will review, evaluate, and establish a recommendation for the allocation of costs of any Extraordinary OM&R project.

B. Equipment: Replacement of mobile/stationary equipment and heavy equipment identified on the Ten-Year Plan with a total replacement cost greater than **\$30,000**.

Equipment types and examples are as follows:

- i. Heavy Equipment (Off-Road – Unlicensed): Motor graders, loaders, backhoes, excavators, dozers, skid-steers, cranes, tractors, implements (i.e., discs, mowers, etc.), man-lifts, forklifts, etc.
- ii. Heavy Equipment (On-Road – Licensed): Truck/tractors, spray trucks, dump trucks, water trucks, boom trucks, utility trucks heavier than 1.5 ton, heavy transport trailers, tilt trailers, flatbed trailers, trailer-mounted pumps/generators/compressors, belly dump trailers, etc.
- iii. Shop Support Stationary Equipment: Machine Shop equipment, Electric Shop test equipment, Vehicle Maintenance Shop equipment, Sandblast and

Paint Shop equipment, etc.

- C. Vehicles: Replacement of light passenger/utility vehicles identified on the Ten-Year Plan that have a total replacement cost (including labor) greater than **\$25,000** (e.g., sedans, pickups, utility vehicles, vans, etc.).
- D. Office & Computer/Network Equipment: Replacement of office and electronic equipment and computer software identified on the Ten-Year Plan with an annual aggregate replacement cost greater than **\$20,000**.
- E. Facility Infrastructure Rehabilitation/Replacement: Improvement, modification, replacement, repair, addition, or modernization projects on the SLDMWA Project Facilities identified on the Ten-Year Plan that have a total cost greater than **\$30,000**, including labor and labor-related costs. The typical types of projects for this category, include but are not limited to:
- i. Roofing Systems repair or replacement,
 - ii. Building Interior/Exterior Components repair, remodel/upgrade,
 - iii. Building HVAC Systems replacement,
 - iv. Building Electrical & Communication Systems modernization,
 - v. Building Plumbing Systems replacement,
 - vi. Building/Facility Fire Protection & Security Systems replacement/modernization,
 - vii. O&M Shop Support Equipment/Systems replacement/modernization, and
 - viii. Facility Pavement & Grounds repairs/replacement & upgrades.
- F. Supervisory Control and Data Acquisition (SCADA): Improvements, modifications, replacements, repairs, additions, or modernizations of SCADA system and associated hardware and software identified on the Ten-Year Plan with a total replacement cost (including labor) greater than **\$35,000**.
- G. NOTES:
- i. Each Reserve Category requires the development and management of a

specific Ten-Year Plan for the category's replacement, additions, rehabilitation, and modernization needs.

- ii. These cost thresholds will apply beginning on the Effective Date of the Cost Recovery Plan. Prospectively, during the annual budget development process, staff will work with the OM&R Technical Committee to evaluate any necessary increases to the cost thresholds, utilizing the USBR Operations and Maintenance Cost Index and other available tools.

2. Emergency Reserves: SLDMWA will establish and maintain an Emergency Reserve Fund consistent with Article 14 of the SLDMWA Transfer Agreement.

3. Other: The Finance & Administration Committee may recommend necessary changes to the Reserve Categories or the accumulation of additional Reserve funds (e.g. to fund debt/financed OM&R Costs).

EXHIBIT C

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 - viii. Facility Pavement & Grounds repairs/replacement & upgrades.
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