

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
MINUTES
FINANCE & ADMINISTRATION COMMITTEE
and
JOINT FINANCE & ADMINISTRATION
COMMITTEE-SPECIAL PERSONNEL
SUBCOMMITTEE
SEPTEMBER 11, 2017**

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority met at approximately 12:00 p.m. at 842 6th Street in Los Banos with Chairman Bill Pucheu presiding. A quorum of the Personnel Subcommittee was not present and therefore did not convene as part of a joint meeting.

FAC Committee Members Present

Ex-Officio

Absent

Division 1

Anthea Hansen, Alternate for Rick Gilmore

Division 2

Don Peracchi, Member

Division 3

Chris White, Alternate for Jim O'Banion

Division 4

Sara Singleton, Member

Division 5

Bill Pucheu, Chair and Member

Friant Water Authority

Kathy Bennett, Alternate for Jason Phillips (Via Teleconference, after Item 6)

Personnel Subcommittee Members

Bill Pucheu, Member

Authority Representatives Present

Jason Peltier, Executive Director

Frances Mizuno, Assistant Executive Director (via teleconference, for Item 6 only)

Jon Rubin, General Counsel

Guy Wamocha, Supervisor of General Accounting

Kathrin Odisho, Supervisor of Operational Accounting

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Tona Mederios, Director of Finance

Doug Brown, Counsel (via teleconference, for Item 8 only)

Laura Izon, Legal Counsel (via teleconference, through Item 4)

Others Present

Doug DeFlicht, Friant Water Authority

Sarah Woolf (via teleconference, after Item 4)

1. Additions or Corrections to the Agenda

There were no additions or corrections to the Agenda.

2. Opportunity for Public Comment

There was no public comment.

3. Closed Session Report

Chair Bill Pucheu adjourned the open session to address the items listed on the Closed Session Agenda at approximately 12:05 p.m. Upon return to open session at approximately 1:30 p.m., Counsel Laura Izon reported that the Committee met in closed session to discuss the listed performance evaluations and there were no reportable actions taken.

ACTION ITEMS

4. Committee to Consider Approval of the August 7, 2017 Meeting Minutes.

The Committee reviewed the August 7, 2017 meeting minutes. Alternate Anthea Hansen made a motion to approve the August 7, 2017 meeting minutes. The motion was seconded by Member Sara Singleton and passed unanimously. The Committee action is reported as follows:

AYES: Hansen, Peracchi, White, Singleton, Pucheu, Bennett

NOES: None

ABSTENTIONS: None

5. Finance & Administration Committee to Consider Recommending the Board of Directors Adopt a Resolution Authorizing Execution of a Memorandum of Understanding By and Among Duke-American Transmission Company, LLC and San Luis & Delta-Mendota Water Authority for the San Luis Transmission Project.

Assistant Executive Director Frances Mizuno reviewed the proposed MOU with Duke-American Transmission Company and the potential partnership with DATC on the funding and construction of the San Luis Transmission Project. Mizuno answered some questions from Doug Defitch. Member Hanson raised a question regarding the Authority's ability to issue Bonds for a term beyond each Contractors CVP contract term. Mizuno indicated this issue will need to be analyzed further as we move forward with this process. After a brief discussion, Alternate Anthea Hansen made a motion to adopt the resolution authorizing execution of a Memorandum of Understanding by and among Duke-American Transmission

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Company, LLC and San Luis & Delta Mendota Water Authority for the San Luis Transmission Project. The motion was seconded by Member Don Peracchi and passed unanimously. The committee action is reported as follows:

AYES: Hansen, Peracchi, White, Singleton, Pucheu, Bennett
NOES: None
ABSTENTIONS: None

6. Finance & Administration Committee to Consider Recommending the Board of Directors Approve a New Position – Deputy General Counsel.

Executive Director Jason Peltier opened the item and then General Counsel Jon Rubin discussed the need of a new position Deputy General Counsel. Rubin summarized the information provided to the Committee in August and the additional information provided to the Committee for the September meeting, which was intended to be responsive to the Committee's requests. Rubin stated that the Water Resources Committee had discussed this issue but decided to let the Board consider the item without making any recommendation. The Finance Committee did not take action of this item.

REPORT ITEMS

7. Report on Funding Effort for California WaterFix.

Executive Director Jason Peltier reported on this item noting the status, timing and funding requirements among the stakeholders. Mr. Peltier added that a number of districts were individually reviewing the California WaterFix and were yet to make any decisions.

8. FY18 Budget to Actual Expenditures Comparison Reports through 7/31/17

Supervisor of General Accounting Guy Wamocha reported on the budget to actual expenditure comparison report through the month ending July 31, 2017. Wamocha noted that actual expenditures were trending below budget by \$1,760,505 especially in the line item areas of legal, technical support, in-house salaries, GBD Specific and other professional services.

9. O&M Self-Funding Update

Director of Finance Tona Mederios reported that the WY15 Final Accounting was nearing completion and that the WY16 draft accounting was in progress.

10. Financial Audit Update

Director of Finance Tona Mederios reported to the Committee that the external auditors, Sampson, Sampson & Patterson, LLP, CPA, were on site performing audit field work on the FY15 audit. FY16 audit binder is due to the auditors by November 15, 2017. FY17 and FY18 audits will be completed during FY19.

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11. **Reports Pursuant to Government Code Sec 54954.2**

None

12. **Adjournment**

The meeting was adjourned at approximately 2:35 p.m.