

**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 APRIL 1, 2024**

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:03 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, Chair/Member

Division 2

Justin Diener, Member (via ZOOM)

Division 3

Chris White, Member

Division 4

Absent

Division 5

Bill Pucheu, Member

Friant Water Authority

Wilson Orvis, Alternate

Board of Directors Present

Division 1

Anthea Hansen, Director

Division 2

Justin Diener, Alternate Director (via ZOOM)
William Bourdeau, Vice-Chair/Director

Division 3

Chris White, Alternate
Cannon Michael

Division 4

Joe Tonascia, Director

Division 5

Bill Pucheu, Director
Manny Amorelli, 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 (via ZOOM)
Raymond Tarka, Director of Finance
Lauren Viers, Accountant III
Stewart Davis, IT Officer
Eddie Reyes, IS Technician

Others in Attendance

None

1. Call to Order/Roll Call

Chair Anthea Hansen called the meeting to order at approximately 12:03 p.m. 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 March 4, 2024 Meeting Minutes.

Chair Anthea Hansen deemed the March 4, 2024 meeting minutes approved as submitted.

5. Recommendation to Board of Directors to Adopt Resolution Authorizing Execution of Contract Between the United States of America and the San Luis & Delta-Mendota Water Authority for the Repayment of Extraordinary Maintenance Costs for the C.W. "Bill" Jones Pumping Plant Excitation Cabinet and Control Panel Refurbishment Project, Making Findings Under the California Environment Quality Act, and Authorizing Actions Related Thereto.

Chief Operating Officer Pablo Arroyave introduced the item. Arroyave stated although Reclamation is still reviewing the contract, he is not anticipating any substantial changes and it can be considered final in relation to all major terms of the contract. Arroyave stated that the contract will include a 27-year repayment term. The funding for this project will be up front with six separate repayment schedules, one for each unit. The Authority is anticipating funding from Reclamation by October and an executed contract with a vendor by November, with a project completion timeline of three years. On a motion of Member Bill Pucheu, seconded by Alternate Member Wilson Orvis, the Committee adopted the resolution authorizing execution of contract

between the United States of America and the San Luis & Delta-Mendota Water Authority for the repayment of extraordinary maintenance costs for the C.W. “Bill” Jones Pumping Plant excitation cabinet and control panel refurbishment project, making findings under the California Environment Quality Act, and authorized actions related thereto. The vote on the motion was as follows:

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

6. Recommendation to Board of Directors to adopt Resolution Authorizing Execution of Second Amended and Restated Memorandum of Understanding with Friant Water Authority Relating to Allocation, Collection and Payment of Operation, Maintenance & Replacement Costs for Water Delivered Through Certain Central Valley Project Facilities, and Authorizing Action Related Thereto.

Executive Director Federico Barajas introduced the item then referred to General Counsel Rebecca Akroyd to further discuss the proposed resolution authorized execution of the Second Amended and Restated MOU with Friant Water Authority. Akroyd described changes from the First Amended and Restated MOU, and referred to the table provided to the committee to provide a brief overview of these changes. Akroyd then discussed next steps and how these changes will ultimately be reflected in upcoming rates. Akroyd answered questions throughout the presentation.

On a motion of Member Bill Pucheu, seconded by Alternate Member Wilson Orvis, the Committee adopted the resolution authorizing execution of Second Amended and Restated Memorandum of Understanding with Friant Water Authority relating to allocation, collection and payment of operation, maintenance & replacement costs for water delivered through certain Central Valley Project facilities, and authorized action related thereto. The vote on the motion was as follows:

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

7. Recommendation to Board of Directors to Adopt Resolution Adopting an Indirect Cost Rate Policy for Scientific Activities.

Water Policy Director Scott Petersen presented the item. Petersen stated that after the Science Plan was approved for implementation, he began discussing contract rates with the University of California. In doing so, it was brought to Petersen’s attention that it would be more cost effective and efficient if the Authority were to adopt a resolution with an indirect cost rate policy for scientific activities. This would allow the Authority to maximize the application of available funding and would provide a more favorable indirect cost rate for the Authority. On a motion of Alternate Member Wilson Orvis, seconded by Member Chris White, the Committee adopted resolution adopting an Indirect Cost Rate Policy for scientific activities. The vote on the motion was as follows:

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

REPORT ITEMS

8. FY23 Activity Agreements Budget to Actual Report through 2/29/2024

Director of Finance Raymond Tarka presented the Budget to Actual Report through February 29, 2024 for the Activity Agreement funds. Tarka stated for the twelve-month period, the budget was trending positive overall with actual spending ending February 29, 2024 at 77.16% of the approved budget.

9. FY23 O&M Budget to Actual Report through 2/29/2024

Director of Finance Raymond Tarka reported that for WY23, the self-funded routine O&M expenses through February 29, 2024 were over budget by \$2,563,295. This is mainly due to over-budget DWR conveyance charges for DCI activity. The water year 2022 final accountings, fiscal year 2023 audit, and the Intertie OM&R true-up remain outstanding and proposed O&M water rated for WY24 have been prepared for the new water year.

10. Procurement Activity Report

Director of Finance Raymond Tarka presented the procurement activity report for the period February 29th through March 29th 2024. There were no contracts or change orders to report.

11. Executive Director’s Report

Executive Director Federico Barajas provided the following updates:

- a. **South of Delta Drought Plan MOU** – Executive Director Federico Barajas stated that a South of Delta Drought Plan Memorandum of Understand has been signed and the Authority is now working to come up with an implementation plan for the Pilot Program referenced in the MOU.
- a. **O’Neill Scheduled Outage** – Executive Director Federico Barajas referred to Chief Operating Officer Pablo Arroyave to provide an update. Arroyave stated that the planned outage has been postponed. Arroyave reported that the Authority will meet with Reclamation to find a time this summer or early fall to schedule the outage.

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 12:57 p.m.