

DELTA CONVEYANCE
DESIGN & CONSTRUCTION AUTHORITY

July 13, 2018

Delta Conveyance Design and Construction Authority
Board of Directors

Members of the Board,

The next meeting of the Delta Conveyance Design and Construction Authority (DCA) Board of Directors is scheduled for **Thursday, July 19, 2018 at 2:00 p.m.** at the **Tsakopoulos Library Galleria, 828 I Street, West Room (1st floor), in Sacramento.**

Enclosed are the materials for the Thursday, July 19 Board meeting in a PDF file, which has been bookmarked for your convenience.

Sincerely,



Jill Duerig
Interim Executive Director

**DELTA CONVEYANCE DESIGN AND CONSTRUCTION
JOINT POWERS AUTHORITY
BOARD OF DIRECTORS MEETING**

REGULAR MEETING

Thursday, July 19, 2018

2:00 p.m.

SACRAMENTO PUBLIC LIBRARY, TSAKOPOULOS LIBRARY GALLERIA
828 I Street, Sacramento, CA 95814

AGENDA

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested person must request the accommodation at least two working days in advance of the meeting by contacting the Design and Construction Authority support staff at (916) 347-0486 or info@dcdca.org.

California Environmental Quality Act (CEQA) Notice: Discretionary actions taken by the Delta Conveyance Design and Construction Authority (DCA) are pursuant to and in furtherance of a Joint Exercise of Powers Agreement with the Department of Water Resources (DWR) concerning the California WaterFix project. The Board of Directors of the DCA, acting as a Responsible Agency under CEQA, determined that it has reviewed and considered Lead Agency DWR's Final Environmental Impact Report and Addendum for the California Water Fix Project and adopted DWR's CEQA determinations, and filed Notices of Determination in compliance with CEQA in May 2018.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. PUBLIC COMMENT**

Members of the public may address the Authority on matters that are within the Authority's jurisdiction. Speakers are limited to three minutes each. Persons wishing to speak are requested to complete speaker cards.

- 5. APPROVAL OF MINUTES: May 17, 2018 Regular Board Meeting**
- 6. CONSENT CALENDAR**

Items on the Consent Calendar are considered to be routine by the Board of Directors and will be enacted by one motion and one vote. There will be no separate discussion of these items unless a director so requests, in which event the item will be removed from the Consent Calendar and considered separately.

- a. Consider passing resolution ratifying actions taken at May 17, 2018 DCA Board Meeting.

DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY (DCA)

REGULAR BOARD MEETING AGENDA

July 19, 2018

7. DISCUSSION ITEMS

- a. Consider adopting the FY2018/29 Proposed Budget.
- b. Consider Authorizing the Executive Director to Execute a Professional Services Agreement with The Hallmark Group to provide transition services.
- c. Consider Authorizing the Executive Director to Begin the Process of Negotiating Terms and Conditions for leasing office space.
- d. Consider Delegating Interim Contracting Authority to the Executive Director.
- e. Consider Adoption and Approval of the Delta Conveyance Design and Construction Authority Records Retention Policy

8. STAFF REPORTS AND ANNOUNCEMENTS

- a. Executive Director's Report
- b. General Counsel's Report
- c. Treasurer's Report
- d. Verbal Reports, if any

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

* * * * *

Next scheduled meeting: August 16, 2018 at 2 p.m. in the Sacramento Public Library, Tsakopoulos Library Galleria, 828 I Street, Sacramento, CA 95814

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING
Thursday, May 17, 2018
2:00 PM

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER

The first regular meeting of the Delta Conveyance Design and Construction Authority (DCA) Board of Directors was called to order in the Sacramento Public Library, Tsakopoulos Library Galleria, 828 I Street, Sacramento, CA 95814, at 2:00 p.m.

2. PLEDGE OF ALLEGIANCE/NATIONAL ANTHEM

Chairperson Estremera led all present in reciting the Pledge of Allegiance.

3. ROLL CALL

Board members in attendance were Tony Estremera, Richard Atwater, Sarah Palmer and Steve Blois, constituting a quorum of the Board. Board Alternates present were Barbara Keegan, Stephen Arakawa, Shane Chapman, and Doug Headrick.

Staff members in attendance were Jill Duerig, Interim Executive Director; Stefanie Morris, Interim General Counsel.

4. PUBLIC COMMENT

Chairperson Estremera declared public comment open, limiting speaking time to three minutes, each.

Mr. Tim Stroshane, Policy Analyst, Restore the Delta, expressed opposition to the California WaterFix Project.

The Honorable Diane Burgis, County Supervisor, Contra Costa County, and a member of the Delta Counties Coalition, expressed opposition to the California WaterFix Project.

The Honorable Don Nottoli, County Supervisor, Sacramento County, and a member of the Delta Counties Coalition, expressed opposition to the California WaterFix Project.

The Honorable Oscar Villegas, Supervisor, Yolo County, and a member of the Delta Counties Coalition, expressed opposition to the California WaterFix Project

The Honorable Chuck Winn, Supervisor, San Joaquin County, and a member of the Delta Counties Coalition, expressed opposition to the California WaterFix Project.

The Honorable Skip Thomson, Supervisor, Solano County, member of the Delta Counties Coalition, Chair of the Delta Protection Commission, and member of the Delta Stewardship Council expressed opposition to the California WaterFix Project.

Ms. Barbara Barrigan Parrilla, Restore the Delta, expressed opposition to the California WaterFix Project.

Chairperson Estremera closed the Public Comment.

5. OTHER MATTERS

5.a. Acknowledge receipt of documentation for the appointment of new Directors and Alternative Directors

Chairperson Estremera acknowledged receipt of appropriate documentation appointing the new Directors and Alternate Directors.

5.b. Appointment of Secretary

Chairperson Estremera requested nominations for Board Secretary.

Motion:	Nomination of Sarah Palmer for Board Secretary
Move to Approve:	Steve Blois
Second:	Richard Atwater
Yeas:	Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois
Nays:	None
Abstains:	None
Recusals:	None
Absent:	None
Summary:	4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-01)

5.c. Designate regular meeting time and place.

Recommendation:	Every third Thursday of each month at 2:00 pm Sacramento Public Library, Tsakopoulos Library Galleria 828 I Street, Sacramento, CA 95814
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Chairperson Estremera suggested that initially, consideration should be given to meeting every two weeks, due to the amount of work needed to address policy issues and formation of the DCA. Ms. Duerig noted logistically it would be difficult to find a single location for two standing meetings a month in Sacramento. Chairperson Estremera asked for input from the directors on this matter. Director Atwater asked that staff poll the Board and bring a recommendation to the June Board meeting. Director Palmer asked for alternatives. Director Blois ceded to staff recommendation, noting the importance of letting the public know for transparency and suggesting that any discussions on future meeting dates be moved. Chairperson Estremera noted the importance of drafting bylaws and other administrative tasks, emphasizing the need to move quickly. Director Atwater suggested working with the Interim ED to lay out alternative meeting dates to be discussed at June Board meeting.

Motion: Board meet the third Thursday of each month at 2 p.m. at the Sacramento Public Library, Tsakopoulos Library Galleria 828 I Street, Sacramento, CA 95814

Move to Approve: Richard Atwater

Second: Sarah Palmer

Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois

Nays: None

Abstains: None

Recusals: None

Absent: None

Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-02)

6. CONSENT CALENDAR:

No Consent Calendar Items

7. SCHEDULED ITEMS

Chairperson Estremera requested that any persons from the public that wished to address the Board under scheduled items to please fill out the card and hand it to the clerk. Chairperson Estremera noted there were no requests to speak.

- 7.a. Adopt the CEQA determination for actions pursuant to Joint Exercise of Powers Agreement with the Department of Water Resources – that the Board has reviewed and considered the BDCP/California WaterFix Environmental Impact Report and related documents and adopts the lead agency's findings, SOC, and MMRP

Recommendation: Adopt the CEQA determination for actions pursuant to Joint Exercise of Powers Agreement with the Department of Water Resources

Mr. Adam Kear, Assistant General Counsel, Metropolitan Water District of Southern California, provided the staff report on this item. Mr. Kear reviewed the information on this item for the Board, noting that the Board had received a copy of the resolution in their packet and that it had also been made available to the public on the website.

Motion: Adopt the CEQA determination for actions pursuant to Joint Exercise of Powers Agreement with the Department of Water Resources – that the Board has reviewed and considered the BDCP/California WaterFix Environmental Impact Report and related documents and adopts the lead agency's findings, SOC, and MMRP

Move to Approve: Richard Atwater

Second: Sarah Palmer

Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois

Nays: None

Abstains: None

Recusals: None

Absent: None

Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as R 18-1)

- 7.b. Authorize Alternate Director Shane Chapman to execute a professional services agreement for Interim Executive Director services with Management Partners and to act as agreement administrator

Recommendation: Authorize Alternate Director Shane Chapman to execute a professional service agreement for Interim Executive Director services with Management Partners and to act as agreement administrator

Ms. Stefanie Morris, Interim General Counsel, provided the staff report on this item. Ms. Morris reviewed the information on this item for the Board.

Motion: Authorize Alternate Director Shane Chapman to execute a professional services agreement for Interim Executive Director services with Management Partners and to act as agreement administrator

Move to Approve: Richard Atwater

Second: Steve Blois

Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois

Nays: None

Abstains: None

Recusals: None

Absent: None

Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-03)

- 7.c. Authorize Alternate Director Shane Chapman to execute a professional services agreement for Interim General Counsel services with Best Best & Krieger LLP and to act as agreement administrator

Recommendation: Authorize Alternate Director Shane Chapman to execute a professional services agreement for Interim General Counsel services with Best Best & Krieger LLP and to act as agreement administrator

Ms. Jill Duerig, Executive Director, provided the staff report on this item. Ms. Duerig reviewed the information on this item for the Board.

Motion: Authorize Alternate Director Shane Chapman to execute a professional services agreement for Interim General Counsel services with Best Best & Krieger LLP and to act as agreement administrator (May 16, 2019)

Move to Approve: Steve Blois

Second: Sarah Palmer

Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois

Nays: None

Abstains: None

Recusals: None
Absent: None
Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-04)

7.d. Authorize the Board President to execute the Joint Exercise of Powers Agreement Between the Department of Water Resources and the Delta Conveyance Design and Construction Joint Powers Authority

Recommendation: Authorize the Board President to execute the Joint Exercise of Powers Agreement Between the Department of Water Resources and the Delta Conveyance Design and Construction Joint Powers Authority

Ms. Stefanie Morris, Interim General Counsel, provided the staff report on this item. Ms. Morris reviewed the information on this item for the Board. Ms. Morris noted the effective date of the agreement would occur at a later time as it would need to be approved by the Department of General Services.

Motion: Authorize the Board President to execute the Joint Exercise of Powers Agreement Between the Department of Water Resources and the Delta Conveyance Design and Construction Joint Powers Authority
Move to Approve: Steve Blois
Second: Sarah Palmer
Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 5 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-05)

7.e. Authorize the Executive Director to solicit Auditor services for Board consideration

Recommendation: Authorize the Executive Director to solicit Auditor services for Board consideration

Ms. Stefanie Morris, Interim General Counsel, provided the staff report on this item. Ms. Morris reviewed the information on this item for the Board.

Motion: Authorize the Executive Director to bring back a recommendation for Auditor services for Board consideration
Move to Approve: Richard Atwater
Second: Steve Blois
Yeas: Tony Estremera, Barbara Keegan, Richard Atwater, Sarah Palmer, Steve Blois
Nays: None
Abstains: None
Recusals: None

Absent: None
Summary: 5 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-06)

- 7.f. Authorize the Interim Executive Director to negotiate and execute an inter-agency agreement with the Metropolitan Water District of Southern California to provide treasury and accounting services

Recommendation: Authorize the Interim Executive Director to negotiate and execute an inter-agency agreement with the Metropolitan Water District of Southern California to provide treasury and accounting services

Ms. Stefanie Morris, Interim General Counsel, provided the staff report on this item. Ms. Morris reviewed the information on this item for the Board.

Motion: Authorize the Interim Executive Director to negotiate and execute an inter-agency agreement with the Metropolitan Water District of Southern California to provide treasury and accounting services

Move to Approve: Steve Blois

Second: Sarah Palmer

Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois

Nays: None

Abstains: None

Recusals: None

Absent: None

Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-07)

- 7.g. Authorize the Interim Executive Director to negotiate and execute inter-agency agreements to provide other services such as information technology, real estate, contracting, human resources, environmental planning, and project management related services.

Recommendation: Authorize the Interim Executive Director to negotiate and execute inter-agency agreements to provide other services

Ms. Stefanie Morris, Interim General Counsel, provided the staff report on this item. Ms. Morris reviewed the information on this item for the Board. Director Blois requested a report on results at the next meeting.

Motion: Authorize the Interim Executive Director to negotiate and execute inter-agency agreements to provide other services.

Move to Approve: Richard Atwater

Second: Steve Blois

Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois

Nays: None

Abstains: None

Recusals: None
Absent: None
Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-5-08)

- 7.h. Authorize Authority staff to prepare and file all necessary documents related to the formation of a joint powers authority and to take other steps necessary and convenient for the creation of a public agency

Recommendation: Authorize Authority staff to prepare and file all necessary documents related to the formation of a joint powers authority and to take other steps necessary and convenient for the creation of a public agency

Ms. Stefanie Morris, Interim General Counsel, provided the staff report on this item. Ms. Morris reviewed the information on this item for the Board.

Motion: Authorize Authority staff to prepare and file all necessary documents related to the formation of a joint powers authority and to take other steps necessary and convenient for the creation of a public agency
Move to Approve: Sarah Palmer
Second: Richard Atwater
Yeas: Tony Estremera, Richard Atwater, Sarah Palmer, Steve Blois
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent.(Motion passed as MO 18-5-09)

8. REPORTS AND ANNOUNCEMENTS

8.a. Executive Director Report

Ms. Duerig provided a presentation to the Board that covered the DCA program background, formation of the DCA, the anticipated initial work activities, and the next steps. The Board requested an allocation of time for discussion at the next board meeting to allow the Board and members of the public to better understand what the upcoming activities will be for the next six months, as well as a discussion related to the hiring of a more permanent Executive Director.

8.b. General Counsel Report

Ms. Morris noted that the presentation provided by Ms. Duerig will be made available on the website. She went on to report that for the next meeting, she will be bringing recommendations for adoption of bylaws, filings for Secretary of State, conflict of interest codes, and other required legal matters that must be fulfilled under the requirements of the DCA formation agreement. Ms. Morris introduced Mr. Gary Lippner, Deputy Director of Delta Conveyance Office at the Department of Water Resources, to the Board.

9. FUTURE AGENDA ITEMS:

Chairperson Estremera requested future agenda items be raised at this time. Director Palmer noted the request to consider the need for special board meetings and an allocation of time for discussion at the next board meeting to allow the Board and members of the public to better understand what the upcoming activities will be for the next six months, as well as a discussion related to the hiring of an Executive Director.

10. ADJOURNMENT:

Chairperson Estremera adjourned the meeting at 3:22 p.m.

Approved:

Move to Approve:

Second:

Yeas:

Nays:

Abstains:

Recusals:

Absent:

Summary: .

Date:

RESOLUTION NO. 18-2

**A RESOLUTION OF THE BOARD OF DIRECTORS OF DELTA CONVEYANCE
DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY RATIFYING ALL
ACTIONS TAKEN AT THE MAY 17, 2018 MEETING**

BACKGROUND

1. At its May 17, 2018 meeting, the Board of Directors took several actions as described below.
2. On July 10, 2018, the legislative body of the Metropolitan Water District of Southern California ("MWD"), rescinded and then voted to authorize again that public agency's participation in certain matters related to California Waterfix, including its membership in the Delta Conveyance Design and Construction Joint Powers Authority ("DCA").
3. Although the DCA and MWD are two separate public entities, to avoid any question that the MWD action might have had any impact on the validity of the DCA's previous actions, the Board of Directors now wishes to ratify and reaffirm certain previous actions.

RESOLUTION:

4. The Board of Directors hereby ratifies all the actions described in its May 17, 2018 agenda, authorized at its May 17, 2018 Board meeting, and listed below:
 - a. Designate the regular time and meeting place for the DCA to be every third Thursday of each month at 2:00 pm at Sacramento Public Library, Tsakopoulos Library Galleria 828 I Street, Sacramento, CA 95814;
 - b. Adopt the CEQA determination for actions pursuant to Joint Exercise of Powers Agreement with the Department of Water Resources;
 - c. Authorize Alternate Director Shane Chapman to execute a professional service agreement for Interim Executive Director services with Management Partners and to act as agreement administrator;
 - d. Authorize Alternate Director Shane Chapman to execute a professional services agreement for Interim General Counsel services with Best Best & Krieger LLP and to act as agreement administrator;
 - e. Authorize the Board President to execute the Joint Exercise of Powers Agreement Between the Department of Water Resources and the Delta Conveyance Design and Construction Joint Powers Authority;
 - f. Authorize the Executive Director to solicit Auditor services for Board consideration;

RESOLUTION NO. R18-2

A RESOLUTION OF THE BOARD OF DIRECTORS OF DELTA CONVEYANCE DESIGN AND
CONSTRUCTION JOINT POWERS AUTHORITY RATIFYING ALL ACTIONS TAKEN AT THE MAY 17,
2018 MEETING

- g. Authorize the Interim Executive Director to negotiate and execute an inter-agency agreement with the Metropolitan Water District of Southern California to provide treasury and accounting services;
 - h. Authorize the Interim Executive Director to negotiate and execute inter-agency agreements to provide other services; and
 - i. Authorize DCA staff to prepare and file all necessary documents related to the formation of a joint powers authority and to take other steps necessary and convenient for the creation of a public agency;
2. The Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution.

* * * * *

This Resolution, passed and adopted this _____ day of July, 2018, by the following vote:

Ayes: _____

Noes: _____

Absent: _____

Abstain: _____

Tony Estremera, Board
President

Attest:

Sarah Palmer, Secretary

Board Memo

Contact: June Skillman

AGENDA DATE: July 19, 2018

Item No. 7a

Subject

Consider adopting the FY2018/29 Proposed Budget.

Executive Summary

The strategic objectives for the proposed fiscal year (FY) 2018/19 Budget for the DCA are to establish the DCA and initiate critical path and long-lead time activities that could delay construction activities or impact overall program cost. Planned expenditures for FY 2018/19 are estimated at \$91.17 million, and include six major categories: 1) program management, finance and administration, 2) environmental planning and permits, 3) engineering, 4) property acquisition, 5) construction, and 6) utilities. Detailed discussions of each of these Budget categories are provided in this memorandum. The source of funding for FY 2018/19 is the funding commitments by the members of the DCA JPA plus approximately \$29.83 million in funds from the Department of Water Resources (DWR). Funding commitments total \$133.57 million. At this time, the FY 2018/19 Budget includes a contingency of \$42.40 million between planned expenditures and available funds. As appropriate, staff will return to the Board to recommend adjusting the FY 2018/19 Budget to include the use of contingency based on opportunities provided that would benefit of the program.

Detailed Report

Program Management, Finance and Administration: This category includes planned expenditures of \$14.52 million to conduct the following work: establish both the interim and long-term WaterFix program office; establish all management, legal, administrative, and financial functions required for the efficient operation of the program office; commence project management information collection and reporting efforts; conduct public outreach activities; and establish and operate all information technology systems required by the program.

Environmental Planning and Permits: This category includes planned expenditures of approximately \$6.92 million to conduct the following work: develop a mitigation measure compliance tracking system for program-related construction activities; acquire air quality mitigation agreements and off-sets; establish conservation easements and acquire mitigation lands as required by permits; and conduct biological resource surveys and implement avoidance measures and monitoring. Many of these activities have already been initiated by DWR, and all relevant work items have been transferred over to the DCA for completion. Several permits will remain with DWR for completion of acquisition and for implementation. Delays in the completion of this DCA-related environmental planning work will potentially delay the commencement of future construction activities and impact overall program cost.

Engineering: This category includes planned expenditures of \$30.93 million to conduct the following work: establish office of the Chief Engineer; initiate activities of the Engineering Design Manager; conduct survey and mapping; conduct geotechnical investigations; and establish other technical investigations to support the timely advancement of the overall program. Long lead time activities such as geotechnical investigations and survey/mapping are planned to be initiated during the fiscal year. Initial detailed engineering studies and investigations are planned for the Engineering Design Manager in the fiscal year, and will build upon the conceptual engineering efforts that have previously been completed during the planning phase of the program. Commencement of these early engineering activities are included for the current fiscal year to ensure that subsequent detailed engineering design and property acquisition activities can commence on schedule in future fiscal years without impacting the overall program schedule and cost.

Property Acquisition: This category includes planned expenditures of \$4.79 million to conduct the following work: develop property ownership and mineral rights documentation to support future acquisition efforts; develop fee title as well as temporary and permanent easement documents; and procure rights on Bouldin Island to support the site preparation construction contract. Development of property rights documentation is long lead time activity and is a necessary precursor to the actual property acquisition process that will be required for this program. This work has been previously initiated by DWR and is now being transferred over to the DCA as the work is delivered by the consultants. The budgeted work in the upcoming fiscal year will complete this currently ongoing activity. An existing goal of the program is to commence construction on Bouldin Island with a site preparation contract once the applicable and legally required program permits and clearances are obtained. Acquisition of the subject property in the form of easements and fee title will be required prior to the start of the construction contract. The budgeted work includes all activities necessary to secure property rights on Bouldin Island in advance of the site preparation construction work. Deferral of these initial property acquisition activities will delay the start of the construction work on Bouldin Island, and may have an impact on the later scheduled construction projects and costs if property title information is not collected in a timely manner.

Construction: This category includes planned expenditures of \$15.91 million to conduct the following work: complete design of site preparation contract on Bouldin Island, and commence a site preparation construction contract on Bouldin Island. The engineering design work for this project has been previously initiated by DWR and is now being transferred over to the DCA. The subsequent construction contracts as well as the construction management activities related to the contract are budgeted in the fiscal year. It is recognized that initiation of the construction contract is contingent upon receiving key permits and approvals, including the Change of Point of Diversion (COPD) permit from the State Water Resources Control Board. DWR retains responsibility for successfully completing this permit process with assistance from the DCA. For the purposes of this budget, it is assumed that the permits, including the COPD permit, required to start construction on WaterFix facilities will be received in late 2018. If the permits are received at a later date, the subsequent start of construction will be rescheduled to a later date in accordance with the receipt of the permits.

Utilities: This category includes planned expenditures of \$18.11 million to conduct the following work: make payments to Sacramento Municipal Utility District (SMUD) and Western Area Power Administration (WAPA) in accordance with agreements expected to be executed with these two agencies in fall 2018; commence design of electrical transmission lines and facilities that are necessary for providing electrical service for future tunnel construction; and develop plans for provision of energy required for future construction activities. SMUD and WAPA have previously completed studies for their respective electrical systems to identify the scope of work required to provide power to the project, both for construction and operation of the program facilities. DWR is in the final stage of negotiating agreements with each agency based on the scope of work. Under the terms of the agreements, payments to both agencies will be made in order for the agencies to commence design activities and to procure long lead-time pieces of equipment for the power transmission systems that they will be building to support the program.

Contingency: The FY 2018/19 expenditures are \$91.17 million based on the work activities proposed in this board letter. Funding for the fiscal year, as identified by funds provided by the DCA JPA member plus additional funds by DWR, totals \$133.57 million. Consequently, the proposed budget includes a contingency of \$42.40 million between planned expenditures and available funds. Opportunities to utilize contingency funds may be identified during the fiscal year. Examples of potential activities that could conceivably utilize contingency funds would be: opportunistic property acquisitions; accelerated geotechnical investigations; commencement of mitigation measures beyond that currently anticipated; and providing additional funding to the DCA in the event that long-term bond financing is not available as currently anticipated. As appropriate, staff will return to the Board to recommend adjusting the FY 2018/19 Budget based on realized expenditures or opportunistic conditions that may arise to the overall benefit of the program.

Funding

The source of funding for the FY 2018/19 Budget is the series of gap funding commitments that have been made by the members of the DCA JPA plus additional funds from DWR. In total, the gap funding commitments at the present time are \$133.57 million.

Recommended Action


Adopt the FY 2018/19 Proposed Budget by Minute Order.

ATTACHMENTS:

Attachment 1 – FY 2018/19 Proposed Budget

Attachment 2 – FY 2018/19 Quarterly Spending

Attachments




DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY PROPOSED FY 2018/19 BUDGET

Item	Activity	Cost (Millions \$)
1	Program Management, Administration and Finance	\$ 14.52
2	Environmental	\$ 6.92
3	Engineering	\$ 30.93
4	Construction *	\$ 15.91
5	Property Acquisition	\$ 4.79
6	Utilities	\$ 18.11
	Subtotal	\$ 91.17
7	Contingency	\$ 42.40
	Total	\$ 133.57

* Construction contingent on obtaining permits

Attachment 1. FY 2018/19 Proposed Budget



CALIFORNIA WATERFIX PROPOSED FY 2018/19 QUARTERLY SPENDING

Item	Activity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cost (Millions \$)
1	Program Management, Administration and Finance	\$ 1.80	\$ 5.37	\$ 3.64	\$ 3.70	\$ 14.52
2	Environmental	\$ 1.52	\$ 1.88	\$ 1.77	\$ 1.76	\$ 6.92
3	Engineering	\$ 0.47	\$ 3.77	\$ 11.21	\$ 15.48	\$ 30.93
4	Construction*	\$ 0.30	\$ 4.51	\$ 5.55	\$ 5.55	\$ 15.91
5	Property Acquisition	\$ 0.70	\$ 1.82	\$ 1.13	\$ 1.13	\$ 4.79
6	Utilities	\$ 8.16	\$ 8.02	\$ 0.97	\$ 0.96	\$ 18.11
	Subtotal	\$ 12.95	\$ 25.37	\$ 24.28	\$ 28.58	\$ 91.17
7	Contingency					\$ 42.40
	Total					\$ 133.57

* Construction contingent on obtaining permits

Attachment 2. FY 2018/19 Quarterly Spending



CALIFORNIA
WATER FIX
RELIABLE. CLEAN. WATER.

Agenda Item 7a



CONSIDER ADOPTING THE FY2018/29 PROPOSED BUDGET

July 19, 2018



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

FY 2018/19 PROPOSED BUDGET

Strategic Objectives

- ☐ Establish DCA: Executive Office, support for Program Management Office, and key Program areas
 - ☐ Initiate critical path and long-lead time activities that could delay construction activities or impact overall program cost
 - ☐ Environmental planning
 - ☐ Geotechnical investigations
 - ☐ Permitting
 - ☐ Property rights
 - ☐ Utility interconnections
-



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

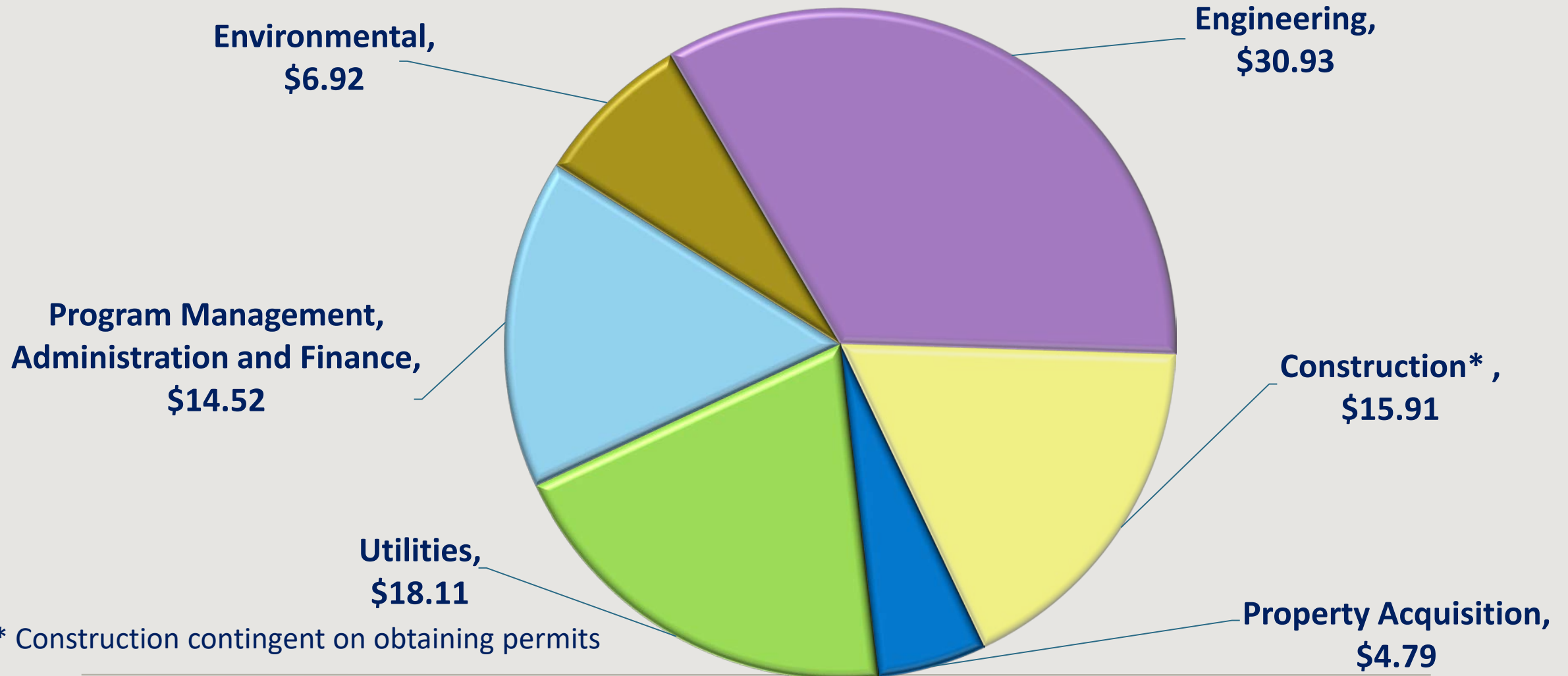
FY 2018/19 PROPOSED BUDGET

Item	Activity	Cost (Millions \$)
1	Program Management, Administration, and Finance	\$ 14.52
2	Environmental Planning and Permits	\$ 6.92
3	Engineering	\$ 30.93
4	Construction *	\$ 15.91
5	Property Acquisition	\$ 4.79
6	Utilities	\$ 18.11
	Subtotal	\$ 91.17
7	Contingency	\$ 42.40
* Construction contingent on obtaining permits	Total	\$ 133.57



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

FY 2018/19 PROPOSED BUDGET





DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

PROPOSED 2018/2019 BUDGET

Program Management, Administration, and Finance (\$14.52M)

- ☐ Executive office: Director, Legal, External Affairs
 - ☐ Finance: Financial systems and controls, accounting, billing, audit
 - ☐ Program Management: Project controls, document management, procurement support, project management
 - ☐ Program office space: Interim and long-term office space
 - ☐ Information Technology: Hardware/software purchases and technical support
-



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

FY 2018/19 PROPOSED BUDGET

Environmental (\$6.92M)

- ☐ Develop mitigation and compliance program
 - ☐ Enter into air quality mitigation agreements and off-sets
 - ☐ Secure mitigation lands (fee or easements)
 - ☐ Conduct environmental surveys
 - ☐ Implement avoidance measures and monitoring programs
 - ☐ Initiate wetlands restoration
-



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

FY 2018/19 PROPOSED BUDGET

Engineering (\$30.93M)

- ☐ Establish Engineering Office: Chief Engineer and support staff with subject matter experts
 - ☐ Commence activities of Engineering Design Manager
 - ☐ Commence survey and mapping activities
 - ☐ Commence geotechnical investigations
-



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

FY 2018/19 PROPOSED BUDGET

Construction (\$15.91M)

- ☐ Complete engineering design for Bouldin Island site preparation
- ☐ Advertise and award construction contract on Bouldin Island*
- ☐ Initiate Bouldin Island construction management work

* Construction is contingent upon obtaining permits



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

FY 2018/19 PROPOSED BUDGET

Property Acquisition (\$4.79M)

- ☐ Determine surface and subsurface property rights along entire program corridor
 - ☐ Obtain temporary entry permits
 - ☐ Develop real estate requirements
 - ☐ Investigate utility relocations
 - ☐ Prepare appraisals and offers
 - ☐ Procure rights to Bouldin Island work areas
-



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

FY 2018/19 PROPOSED BUDGET

Utilities (\$18.11M)

- ☐ Execute agreements with SMUD and WAPA for design and equipment procurement for program power
- ☐ Coordinate with DWR's Power and Risk Office on power scheduling and delivery
- ☐ Design high voltage power line from Tracy to Bouldin Island



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

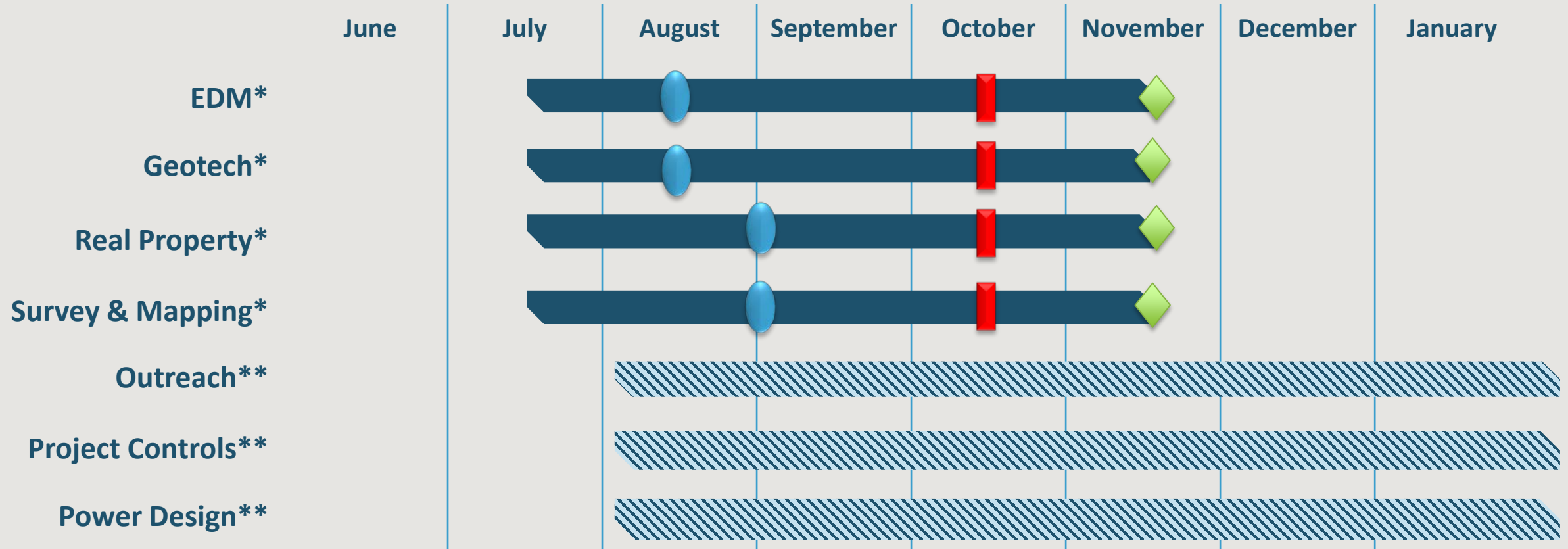
FY 2018/19 PROPOSED BUDGET

Contingency (\$42.40M)

- ☐ Up to an additional 6 months program funding, beyond June 2019, should delays occur to the Finance JPA bond issuance
 - ☐ Opportunistic property acquisitions, if available
 - ☐ Procure mitigation properties early
 - ☐ Possible acceleration of geotechnical investigations and other technical studies
-



DCA INITIAL RFQ TIMELINES (EXISTING AND PROPOSED)



*: existing RFQs, currently under evaluation

** : proposed RFQs for advertisement



Interviews



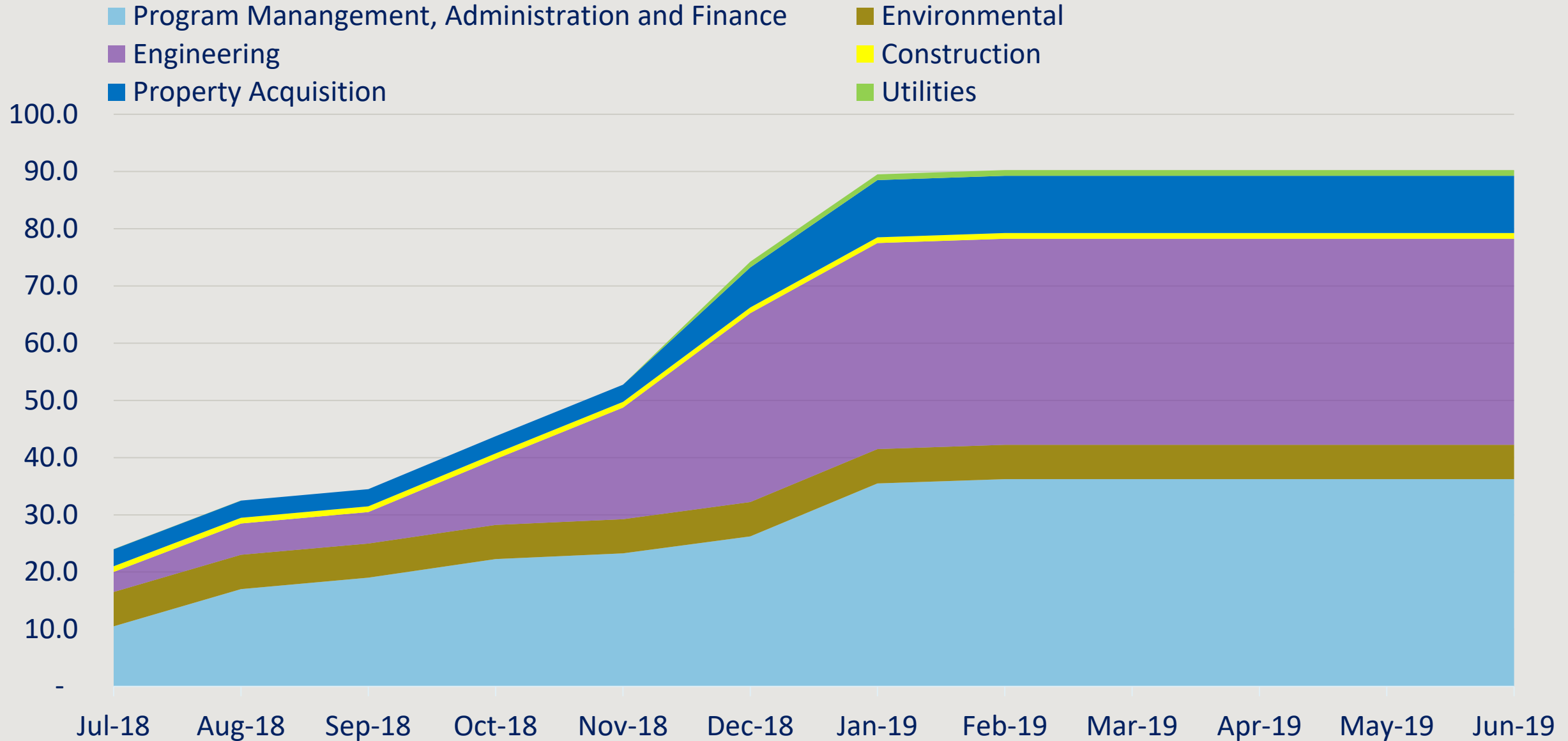
Board Award



Notice to Proceed



CALIFORNIA WATERFIX STAFFING RAMP-UP FY 2018/19





CALIFORNIA WATERFIX PROPOSED FY 2018/19 QUARTERLY SPENDING

Item	Activity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cost (Millions \$)
1	Program Management, Administration and Finance	\$ 1.80	\$ 5.37	\$ 3.64	\$ 3.70	\$ 14.52
2	Environmental	\$ 1.52	\$ 1.88	\$ 1.77	\$ 1.76	\$ 6.92
3	Engineering	\$ 0.47	\$ 3.77	\$ 11.21	\$ 15.48	\$ 30.93
4	Construction*	\$ 0.30	\$ 4.51	\$ 5.55	\$ 5.55	\$ 15.91
5	Property Acquisition	\$ 0.70	\$ 1.82	\$ 1.13	\$ 1.13	\$ 4.79
6	Utilities	\$ 8.16	\$ 8.02	\$ 0.97	\$ 0.96	\$ 18.11
	Subtotal	\$ 12.95	\$ 25.37	\$ 24.28	\$ 28.58	\$ 91.17
7	Contingency					\$ 42.40
	Total					\$ 133.57

* Construction contingent on obtaining permits



CALIFORNIA WATERFIX FY 2018/19 GAP FUNDING CONTRIBUTIONS

Item	Activity	Cost (Millions \$)
1	Metropolitan Water District of Southern California	\$ 86.00
2	San Bernardino Valley Municipal Water District	\$ 10.00
3	Alameda County Flood Control and Water Conservation District Zone 7	\$ 0.25
4	Other Contractors (2019 SOC)	\$ 7.49
5	DWR Funding	\$ 29.83
	Total	\$ 133.57

Board Memo

Contact: Jill Duerig, Interim Executive Director

AGENDA DATE: July 19, 2018

Item No. 7b

Subject:

Consider Authorizing the Executive Director to execute a Professional Services Agreement with The Hallmark Group to provide transition services.

Executive Summary:

Staff recommends that the Board authorize the Executive Director to execute a Professional Services Agreement with The Hallmark Group to provide transition services supporting the Executive Director until a more long-term Program Director can be selected and retained.

Detailed Report:

The Hallmark Group has been providing various support services to the California Department of Water Resources (DWR) for the planning phase of the California WaterFix. This contract ends on July 31, 2018. The Hallmark Group has helped to control documents for DWR relating to California WaterFix. Thus, they are uniquely situated to assist in transition the program, documents and processes to the DCA.

With the rejection of all proposals for the Interim Executive Director role, there will be a time gap until a long-term Executive Director can be selected and retained. It was envisioned that many of the transition tasks would take place with staff from the Executive Director selection. Staff recommends that the DCA retain The Hallmark Group to provide transition support to be directed by the Executive Director, to assist in keeping the project on schedule. The current request is for up to six months of transition support services for up to \$1,191,360, consistent with the attached table.

Recommended Action:

Adopt the attached resolution authorizing the Executive Director to execute a six-month professional services agreement with The Hallmark Group to provide transition support services to be directed by the Executive Director.

ATTACHMENT:

Draft Resolution 18-3.

RESOLUTION NO. 18-3
RESOLUTION OF THE DELTA CONVEYANCE DESIGN CONSTRUCTION
JOINT POWERS AUTHORITY (DCA)
DELEGATING INTERIM CONTRACTING AUTHORITY

Whereas, The Hallmark Group's contract with DWR for professional support services is expiring at the end of July, 2018; and

Whereas, there is an urgent need to keep the California WaterFix project on schedule and The Hallmark Group is uniquely positioned to provide transition services until the process for selection of Executive Director can be completed;

Now, therefore, the DCA Board finds that a sole source contract is justified given the urgency of the timing and the unique qualifications of the Hallmark Group to provide such services; and

Be it resolved that the DCA Board hereby authorizes the Interim Executive Director to execute a professional services contract with The Hallmark Group to provide the DCA with six months of Transitional Support Services to be directed by the Executive Director, in an amount not-to-exceed \$1,191,360.

* * * * *

This Resolution, passed and adopted this _____ day of July, 2018, by the following vote:

Ayes: _____

Noes: _____

Absent: _____

Abstain: _____

Tony Estremera, Board
President

Attest:

Sarah Palmer, Secretary

COST PROPOSAL - CALIFORNIA WATERFIX TRANSITION MANAGEMENT SERVICES AUGUST 2018 - JANUARY 2019

DESCRIPTION	PROGRAM MANAGER	CONTRACT MANAGER	PROJECT CONTROLS MANAGER	PROGRAM SUPPORT MANAGER	SR. PROGRAM ANALYST	SR. CONTRACT ADMIN	SR. DOCUMENT CONTROL SPECIALIST	EXECUTIVE ASSISTANT	TOTAL COST
	Rate/Hr \$ 340	\$ 302	\$ 210	\$ 175	\$ 155	\$ 140	\$ 125	\$ 110	
Support to Executive Director	960								326,400
Meeting Facilitation				480				360	123,600
Contracting and Procurement Support		480			240				182,160
Cost Management			120			840			142,800
Schedule Management								360	39,600
Program Reporting			120			120		120	55,200
Document Control							840		105,000
PMIS Procurement and Implementation Support			720		240		120	120	216,600
TOTAL HOURS	960	480	960	480	480	960	960	960	1,191,360
COST BY ROLE	\$ 326,400	\$ 144,960	\$ 201,600	\$ 84,000	\$ 74,400	\$ 134,400	\$ 120,000	\$ 105,600	

Board Memo

Contact: Jill Duerig, Interim Executive Director

AGENDA DATE: July 19, 2018

Item No. 7c

Subject:

Consider Authorizing the Executive Director to Begin the Process of Negotiating Terms and Conditions for leasing office space

Executive Summary:

This memorandum seeks the Board's authorization for the Interim Executive Director to negotiate terms and conditions for lease of office space to accommodate the ramp-up of the Delta Conveyance Design & Construction Authority (DCA) staff. The DCA will require office space of approximately 30,000 square feet to accommodate a staff of about 89 by June of 2019. It is anticipated that office space will be located in the greater Sacramento area. Generally, leased space costs \$1.85 to \$3.20 per square foot per month. It is anticipated that it will take approximately six months to identify an appropriate location, negotiate a lease, design, pull permits, construct tenant improvements, procure and install furniture, and install information technology systems. The proposed lease term is five years with an option to extend. Any lease terms and conditions will be brought before the Board and approved by the Board before a lease is executed. Over the next six months the DCA staff will work out of the Bonderson building in space provided by the Department of Water Resources (DWR).

Detailed Report:

Attachment 1 summarizes five commercial office space locations currently available in the Sacramento area

Funding:

The source of funding for the fiscal year budget is the series of gap-funding commitments that have been made by the members of the DCA and approximately \$29.8 million in DWR Article 51(e) funds. Gap funding commitments total \$133.55 million, consequently at this time, the proposed budget anticipated expenditures of about \$93 million results in a contingency of about \$41 million between planned expenditures and available gap funds. The 2018/19 proposed budget anticipated expenditures includes an estimate for office space lease costs of \$0.53 million which includes six months at the Bonderson building at a rate of \$13,000 per month and six months at \$75,000 per month for 30,000 square feet at a rate of \$2.50 per square foot. The proposed budget also includes \$1 million for furniture and \$3.8 million for information technology equipment, software and services. Major investments in furniture and information Technology (IT) will also be brought back for the Board's consideration prior to execution of any agreements. The DCA Board will need to carefully consider the timing and availability of long-term funding from the Finance JPA

prior to entering into long-term agreements like commercial office space leases and IT service contracts.

Recommended Action:

Authorize the Executive Director to Negotiate Terms and Conditions for lease of office space to be considered by the Board.

ATTACHMENTS:

Attachment 1 – Examples of Available Commercial Office Space





OFFICE SPACE COMPARISON

May 30, 2018

Estimated Lease Terms/Rent
Need to solicit non-binding proposals to confirm lease terms

	1	2	3
			
Address:	750 Riverpoint Drive West Sacramento	980 9th Street Sacramento	400 R Street Sacramento
Rentable Square Footage:	32,480 (Portion of 50,000 sf Floor Plate)	32,480 (Two 17,000 SF Floors Div.)	32,480 (One Floor 41,000 SF Div.)
Lease Type:	Direct	Direct	Direct Premises Vacant; Ready to Occupy with ± 35 offices, ± 130 cubicles, and conference rooms.
Tenant Improvement Work Needed:	Partial Build-out of Space Needed	Construction of Full Build-Out Needed ±\$60 per RSF	Could Require Carpet & Paint and Offices
Estimated Tenant Improvement Cost / Landlord Allowance (\$/sf):	\$20.00	\$60.00	\$50.00
Lease Rate:	±\$1.85 psf/month Full Service Gross	±\$3.00 psf/month Full Service Gross	±\$2.50 psf/month Fully Service Gross
Temporary Space:	Vacant floor can be occupied upon lease execution at no charge	23rd Floor: 9,299 rsf NOW; 3,502 rsf as of 7/1/2018 At no charge	Vacant portion of a floor can be occupied upon lease execution at no charge
Building Purchase:	Purchase Possible Not for Sale, but might consider offer in ±\$12,000,000 range	Not Available	Not Available
Public Sector Tenants:	None	Delta Stewardship Council; DWR; Managed Health Care; Sac County Employee Retirement	CalPERS; State of California Victims Comp & Claims Board; Office of Tax Appeals
ESTIMATED LEASE EXPENSES			
Monthly Rent:	\$60,088	\$97,440	\$81,200
Annual Rent:	\$721,056	\$1,169,280	\$974,400
Annual Increase:	3.00%	2.5%	2.5%
Parking Expenses (based on 150 employees parked at bldg or elsewhere, at same bldg rates):	No Parking Costs	\$185 unreserved, \$225 reserved; 2/1000: Next to Bldg; .5/1000: 1010 8th Half Unreserved - \$13,875 month; Half Reserved - \$16,875 month;	\$120/space in garage and \$85/surface space; 2/1000 ratio; \$15,375 per month
Additional Operating Costs:	In excess of Base Year 2019	In excess of Base Year 2019	In excess of Base Year 2019
Year 1 Total Monthly Rent & Parking Expenses:	\$60,088	\$128,190	\$96,575
Year 1 Total Annual Rent & Parking Expenses:	\$721,056	\$1,538,280	\$1,158,900
Tenant Expenses Not Included:	Cabling, Phones, Moving, Furniture and Security		

The above information has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we make no warranty or representation about it. It is your responsibility to independently confirm its accuracy.

4		5	
			
Address:	400 Capitol Mall Sacramento	Ice Blocks 1610 R Street Sacramento	
Rentable Square Footage:	32,480 (23,658 on 8th; Remainder on 9th)	32,480 (One Floor 30,000 SF)	
Lease Type:	Direct	Direct	
Tenant Improvement Work Needed:	Construction of Full Build-Out Needed Cubicle Reconfiguration Needed	Construction of Full Build-Out Needed	
Estimated Tenant Improvement Cost / Landlord Allowance (\$/sf):	\$60.00	\$80.00 Estimated Cost \$60.00 / USF Landlord Allowance	
Lease Rate:	±\$3.20 psf/month Full Service Gross	±\$2.95 psf/month Full Service Gross	
Temporary Space:	Vacant ±6,000-8,000 sf can be occupied upon lease execution at no charge; however, Tenant would be responsible for Operating Expenses	None	
Building Purchase:	Not Available	Not Available	
Public Sector Tenants:	None	None	
MATED LEASE EXPENSES			
Monthly Rent:	\$103,936	\$95,816	
Annual Rent:	\$1,247,232	\$1,149,792	
Annual Increase:	3%	3%	
Parking Expenses (based on 150 employees parked at bldg or elsewhere, at same rates):	\$170 unreserved; \$205 reserved; 2.14/1,000 \$28,125 per month	±\$150/space; 1.5/1,000; \$22,500 per month	
Additional Operating Costs:	In excess of Base Year 2019	In excess of Base Year 2019	
Year 1 Total Monthly Rent & Parking Expenses:	\$132,061	\$118,316	
Year 1 Total Annual Rent & Parking Expenses:	\$1,584,732	\$1,419,792	
Tenant Expenses Not Included:	Cabling, Phones, Moving, Furniture and Security		

The above information has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we make no warranty or representation about it. It is your responsibility to independently confirm its accuracy.

Board Memo

Contact: Stefanie Morris, Interim General Counsel

AGENDA DATE: July 19, 2018

Item No. 7d

Subject:

Consider delegating interim contracting authority to the Executive Director.

Executive Summary:

A critical element to the success of the California WaterFix (CWF) is the ability to implement contracting procedures that operate on best practices and earn the fiduciary trust of ratepayers and project stakeholders. In this regard, an effective procurement process should provide flexibility to the Delta Conveyance Design and Construction Authority (DCA) while meeting all legal requirements and promoting the goal of fair, open and transparent competition. A project this size will require a contracting process that operates with clear and comprehensive policies and procedures administered by experienced, professional procurement staff.

Detailed Report:

Broad contracting policies were evaluated during the early planning and development of CWF. An early recommendation called for the Program (Executive) Director to award contracts up to \$10 million without prior Board approval if the contract is approved in the annual budget, is within the contracting policy approved by Board, and the contract amount is within budget. For “un-scoped” expenditures, the Program Director would have authority for \$250,000 per item. Such recommendations need to be revisited in light of Joint Exercise of Powers Agreement (JEPA) requirements, the DCA’s authorities, and applicable legal requirements. Staff plans to bring the Board detailed contracting procedures for the Board’s consideration.

In the meantime, there is a need to vest the Executive Director with contracting authority in order that the DCA may enter into contracts as needed and efficiently carry out its work. It is recommended that the Board delegate to the Executive Director the authority to enter into contracts on behalf of the DCA if the amount payable or expected to be paid in a given contract year is \$250,000 or less. Contracts let by the DCA would be in accordance with applicable state law, Board resolutions, Board minute orders, Bylaws and to the extent applicable, with the JEPA. The recommended delegation of contracting authority would be on an interim basis and superseded by a subsequent resolution adopting detailed contracting procedures for the DCA

Recommended Action:

Adopt the attached resolution delegating interim contracting authority to the Executive Director.

July 19, 2018 DCA Board Meeting
Agenda Item 7d
Page 2

ATTACHMENT

Attachment 1 – Draft Resolution No. 18-4

RESOLUTION NO. 18-4
RESOLUTION OF THE DELTA CONVEYANCE DESIGN CONSTRUCTION
JOINT POWERS AUTHORITY
DELEGATING INTERIM CONTRACTING AUTHORITY

BACKGROUND

The Board of Directors (“Board”) of the Delta Conveyance Design and Construction Joint Powers Authority (“DCA”) has the authority to delegate any of its powers to the Executive Director of the DCA for purposes of efficiency and effectiveness in conducting the business and affairs of the DCA.

The Board intends to delegate contracting authority to the Executive Director as part of its anticipated adoption of detailed contracting procedures for the DCA. Prior to adoption of detailed contracting procedures, the Board desires to delegate interim contracting authority to the Executive Director.

RESOLUTION

1. The Board hereby delegates to the Executive Director the authority to enter into contracts on behalf of the DCA, if the amount payable or expected to be paid by the DCA in a given contract year is \$250,000 or less, in accordance with applicable contract procurement procedures. If the amount payable or expected to be paid by the DCA under the terms of the contract is in excess of \$250,000 in any contract year, the contract shall be executed only upon prior approval of the Board, provided that the Board may designate an officer of the DCA to negotiate and execute categories of contracts without prior approval of the Board.
2. Contracts shall be let out by the DCA in accordance with applicable state law, Board resolutions, Board minute orders, bylaws and, to the extent that it applies to a contract let out by the DCA, that certain provisions of the Joint Exercise of Powers Agreement Between the Department of Water Resources, State of California and the DCA, effective May 22, 2018 (“JEPA”). For service and consulting service agreements, as defined in Section 10335.5 of the Public Contract Code, that are related to the California WaterFix services covered by the JEPA, the DCA shall solicit multiple competitive bids or proposals pursuant to applicable provisions of the Public Contract Code and other applicable laws. For architectural, landscape architectural, engineering, environmental, land surveying or construction project management services agreements, the DCA shall solicit for such services in accordance with the provisions of sections 4525 et seq. of the Government Code.
3. This delegation of contracting authority shall be superseded by a subsequent resolution adopting detailed contracting procedures for the DCA.

July 19, 2018 DCA Board Meeting

Agenda Item 7d

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This Resolution, passed and adopted this _____ day of July, 2018, by the following vote:

Ayes: _____

Noes: _____

Absent: _____

Abstain: _____

Tony Estremera, Board
President

Attest:

Sarah Palmer, Secretary

Board Memo

Contact: Stefanie Morris, Interim General Counsel

AGENDA DATE: July 19, 2018

Item No. 7e

Subject:

Consider Adoption and Approval of the Delta Conveyance Design and Construction Authority Records Retention Policy

Recommended Action:

Adopt attached resolution.

ATTACHMENTS:

Attachment 1 – Draft Resolution 18-5

Attachment 2 – Records Retention Schedule, Exhibit A

RESOLUTION NO. 18-5

**A RESOLUTION OF THE BOARD OF DIRECTORS OF DELTA CONVEYANCE
DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY
ADOPTING A RECORDS RETENTION POLICY**

BACKGROUND

Sections 60200 through 60203 of the Government Code provide procedures regulating the retention of special district records and destruction of obsolete records for special districts.

The DCA desires to adopt a Records Retention Policy to manage documents within its control in a legally appropriate manner.

RESOLUTION

1. The Records Retention Policy, attached hereto as Exhibit "A" incorporated herein by reference and made a part hereof, is hereby adopted as the official Records Retention Policy of Delta Conveyance Design and Construction Joint Powers Authority (DCA).
2. The Board of Directors hereby finds that the Records Retention Policy complies with the California Secretary of State's Local Government Records Management Guidelines, as required under Government Code section 60201, subdivision (b)(2). The Board of Directors further finds that any obsolete records destroyed pursuant to the Records Retention Policy will not adversely affect the DCA or the public.
3. The Executive Director of the DCA and her designee are authorized to do any and all acts necessary to give effect to and comply with the terms and intent of the Records Retention Policy. The Executive Director and her designee shall be responsible for the administration of the retention of records and the destruction of obsolete records pursuant to the Records Retention Policy. In addition, the Executive Director and her designee are authorized to update or amend the Records Retention Policy as needed, without further approval from the Board of Directors, in order to stay current with Federal and State laws, as well as any other regulations regarding records retention.
4. Pursuant to Government Code sections 53161 and 60200, the Board of Directors hereby authorizes the Executive Director and her designee to destroy at any time any duplicate record, paper or document of the DCA, while the original, whether in paper or electronic format, is retained by the DCA for the legally required time period.
5. The Executive Director and her designee shall have ongoing authority, without further approval needed from the Board of Directors and with the approval of the

DCA's legal counsel provided herein, to authorize destruction of obsolete DCA records in accordance with the Records Retention Policy.

6. The Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution.

* * * * *

This Resolution passed and adopted this _____ day of July, 2018, by the following vote:

Ayes: _____

Noes: _____

Absent: _____

Abstain: _____

Tony Estremera, Board
President

Attest:

Sarah Palmer, Secretary

EXHIBIT "A"

Records Type/ Description	Department	Retention	Legal Authority
Administrative Services			
Historical (any record of historical note or import)	Administration	PE	GC 34090
Affidavits of Publication, Posting	Administration	CU+2	GC 34090
Board Agenda packages	Administration	PE	GC 34090
Annexations, Reorganizations (i.e. Notices, Resolutions, Certificates of Completion)	Administration	PE	GC 60201(d)(1)
Articles of Incorporation and other records relating to formation	Administration	PE	GC 60201(d)(1)
Correspondence, General (all departments)	Administration	CU+2	GC 34090
Employee Travel Logs	Administration	CU+2	GC 34090
Minutes, Board	Administration	PE	GC 34090(e), GC 60201(d)(3)
Memos (All)	Administration	CU+2	GC 34090
Notices, Public Meetings	Administration	CU+2	GC 34090
Ordinances	Administration	PE	GC 34090(e), GC 60201(d)(3)
Policies (including expired)	Administration	EX +10	GC 34090
Policies, Administrative	Administration	SU+2	GC 34090
Policies, DCA Board	Administration	SU+2	GC 34090
Program Manuals (Staff Report, Training, etc.)	Administration	SU+2	GC 34090
Recordings, audio (for preparation of meeting minutes)	Administration	30 DAYS	GC 34090
Recordings, video (Board Meetings)	Administration	30 DAYS	GC 34090
Notes of Meetings (Project)	Administration	CU + 10	GC 34090
Notes of phone calls (Project)	Administration	CU +10	GC 34090
Reports, Consultants	Administration	SU+2	GC 34090
Resolutions	Administration	PE	GC 34090(d); 40806
Staff Reports	Administration	PE	GC 34090
Records Destruction Authorization Forms	Document Control	PE	GC 34090
Records Retention Schedule	Document Control	SU+4	GC 34090; CCP 343
Economic Interest Statements - Form 700 (elected official -copies, non-elected - originals)	HR	CU+4	GC 81009(f),(g)
Agency Report of Consultants (FPPC Form 805)	HR	CU+7	GC 81009
Agency Report – Events and Ticket/Pass Distribution (FPPC Form 802)	HR	CU +7	GC 81009
Agency Report of Public Official Appointments (FPPC Form 806)	HR	TE+2	GC 18702.5
Behested Payment Report (FPPC Form 803)	HR	CU +7	GC 81009
Gift to Agency Report (FPPC Form 801)	HR	CU+7	GC 81009
Conflict of Interest Code (FPPC)	HR	PE	GC 34090
Unemployment Insurance Records	HR	CU+4	CCP 337
Collective Bargaining Agreements (Labor agreements)	HR	PE	29 C.F.R. 516.5
Employment, ER/SA Record, Benefit plans	HR	CL+4	GC 34090
Family and Medical Leave Act (Federal)	HR	TE+5	29 C.F.R. 825.500

July 19, 2018 DCA Board Meeting

Agenda Item 7e

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Records Type/ Description	Department	Retention	Legal Authority
DCA Drug & Alcohol/MIS reports	HR	CU+5	C.F.R. 49 C.F.R. 655.72
Recruitment Files	HR	CU+2	GC 34090
Employment, Personnel Files (Includes Application, Supplemental information; Employment, Employee Eligibility Verification (I-9) Training, Insurance, etc.)	HR	TE+5	GC 12946
Marketing Literature (Ads, outreach materials, etc.)	Marketing	CU+2	GC 34090
Press Releases	Marketing	CU+5	GC 34090
DEVELOPMENT SERVICES			
Capital Improvements, Construction	Engineering	PE	GC 34090
Engineering Project Files (includes AWW/FAWW, Exhibit A, minutes, design plans, estimates, comments & responses, traffic control plans, RFI's, inspection reports, submittals, specifications, encroachment permits, SWPPP , and drawings)	Engineering	CL+10	CCP 337.15
Geotechnical reports	Engineering	SU+S	GC 34090(d)
Hydraulics and Hydrology Reports	Engineering	SU+S	GC 34090
Drainage Study	Engineering	SU+S	GC 34090(d)
Bridge Rating report	Engineering	PE	GC 34090
Drawings (As-Builts)	Engineering	PE	GC 34090
Photographs/Videos	Engineering	PE	GC 34090
Design drawings/specifications	Engineering	PE	GC 34090
Environmental Quality, Asbestos/CEQA (EIR/EIS)	Engineering	PE	GC 34090(a)
Facility Project Files (includes storm water reports)	Facilities	CL+10	GC 34090
Leases; Facilities (Equipment)	Facilities	TE+S	CCP 337.2
Permits, Facilities (Equipment)	Facilities	SU+2	GC 34090
Contract Oversight Reports (Contract Deliverables)	Facilities	CU+3	GC 34090
Maintenance and Operation Warranties and Manuals	Facilities	Life+3	GC 34090(d)
Environmental testing/Exposure Monitoring	Facilities	SU+S	GC 34090; 40
Insurance Certificates, Lease or License	Real Estate	CU+10	CCP 337.15
Permits, Right of Way	Real Estate	TE+6	GC 34090(a)
Denied Real Estate submittals	Real Estate	CL+2	GC 34090
Real Property; Abandonment, Acquisition , Disposition , Deeds, Titles, and Easements	Real Estate	PE	GC 34090
Real Property; Appraisals	Real Estate	CL+S	GC 34090
Real Property; Leases, Licenses	Real Estate	PE	CCP 337.2
Real Estate Surveys	Real Estate	PE	GC 34090(d)
Insurance Certificates, Real Estate	Real Estate	SU+S	GC 34090
FINANCE			
General Accounting (Non-grant related)	Finance	AU+4	CCP 337
Accounting, Permanent Books of Accounts	Finance	PE	
Annual Financial Reports (includes CAFR)	Finance	AU+4	CCP 337
Audit Hearing, Review, or Analysis	Finance	CU+2	GC 34090
Bonds, Authorizations, Public Hearing Records, Proposals, etc.	Finance	PE	GC 34090
Bonds, Final	Finance	CU+10	CCP 337.5

July 19, 2018 DCA Board Meeting

Agenda Item 7e

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Records Type/ Description	Department	Retention	Legal Authority
Bonds, Paid or Cancelled	Finance	CU+10	CCP 337.5
Bonds, Unsold	Finance	CU+2	GC 34090
Employee Expense Reports	Finance	CU+7	GC 60201(d)(12)
Fixed Assets	Finance	CL+7	CCP 337
Ethics Training Records (AB 1234)	Finance	CU+5	GC 53235.2
General Reports, Financial (Includes Survey, Audits, Investments, State Controller etc.)	Finance	CU+2	GC 34090
Payroll	Finance	CU+7	GC 60201(d)(12)
Tax Records (State and Federal)	Finance	CU+7	17 C.F.R. 210.2-06
Vehicle Ownership & Title	Finance	UNTIL SOLD	VC 9900 et seq.
GENERAL COUNSEL			
Claims Filed Against the DCA	General Counsel	CL+2	GC 60201(d)(4)
Legal Opinions	General Counsel	SU+2	GC 34090
Litigation	General Counsel	CL+2	GC 60201(d)(4)
Audits (non-financial; Regulatory, Non -Regulatory)	Compliance	AU+7	GC 34090
Audits (Non-Financial; Internal)	Compliance	AU+7	GC 34091
Investigatory files (Internal)	Compliance	CL+S	CCP 337, 338, 342, GC 34090
Investigatory files (EEO)	Civil Rights	TE+2	GC 12946
Investigatory files (Title VI, UNRUH)	Civil Rights	CL+4	CCP 338,340
Reasonable Accommodations (includes Religious)	Civil Rights	TE+2	GC 12946 ,
Disparity Study	Civil Rights	CU+2	GC 34090
DBE Reports	Civil Rights	CU+2	GC 34090,
Employee Medical & Exposure Records (toxic substances or harmful physical agents)	Risk Management	TE+30	8 CCR 3204
Insurance Policies	Risk Management	CL+4	CCP 337
Insurance Certificates	Risk Management	SU+S	CCP 337, 338, 342
Public Records Request	Risk Management	U+2	GC 60201(d)(S); 34090
OSHA (Accident/Illness Reports)	Risk	TE+30	8 CCR 3204
Workers Compensation	Risk Management	CL+S	8 CCR 10102
INFORMATION TECHNOLOGY			
Licenses , Software	IT	TE+4	CCP 337
OPERATIONS			
Maintenance Manuals (Buses, vehicles, Rail, PTC, etc.)	Operations	CU+2	GC 34090
Performance Reports/Contract Deliverables	Operations	CL+4	CCP 337
Standard Operating Procedures	Operations	SU+2	GC 34090
PROCUREMENT AND CONTRACTS			
Procurement File: Successful-Non Construction, Non Public Works (including, but not limited to: : legal docs, contract, amendments, MOU, MOA, PO's, insurance bond termination docs, procurement summary form, Bid letter, legal opinion, sole source,	Procurement & Contracts	AU+5	GC 34090, CCP 337

July 19, 2018 DCA Board Meeting

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Records Type/ Description	Department	Retention	Legal Authority
SC reports, RFP, RFSQ, RFB, IFB, abstracts , addendums, vendor submittals, bid, proposals, and protest docs.)			
Procurement File: Successful- Construction, and Public Works (including but not limited to: legal docs, contract , amendments, MOU, MOA, PO's, insurance bond termination docs, procurement summary form, Bid letter, legal opinion, sole source, IFB, abstracts, addendums, vendor submittals, bid, proposals, and protest docs.)	Procurement & Contracts	TE+15	CA Contracting Code
PLANNING			
Environmental Permits	Planning	PE	GC 34090
Storm Water Maintenance Program/Plan documents	Planning	SU+3	40 C.F.R. 122.26
SAFETY			
Accident Report (All Modes)	Safety	CL+3	CCP 335.1
Accident, Damage to DCA Property	Safety	CL+4	GC 34090, CCP 338
Plans, (Emergency, Safety)	Safety	SU+2	GC 34090
Hazardous Materials (Waste Disposal, Storage, Permits)	Safety	PE	GC 34090
Investigatory Files (Safety)	Safety	CL+5	GC 34090

Retention Codes

AU= Audit

CU= Current

CL= Closed/Completed

PE= Permanent

EX= Expired

SU = Superseded

TE= Terminated

Board Memo

Contact: Jill Duerig, Interim Executive Director

AGENDA DATE: July 19, 2018

Item No. 8a

Subject:

Executive Director's Report.

Executive Summary:

Activities since the May meeting have been somewhat limited. Inter-Agency Agreements have been developed and formation documents have been filed.

Detailed Report:

Metropolitan Water District of Southern California's vote on Tuesday, July 10th, will allow the DCA to move forward quickly with needed actions. The last couple months have been spent lining up as many actions as possible. Initial inter-agency agreements for Treasurer and Administrative Services have been tentatively executed with Metropolitan Water District, subject to today's ratification actions. Both are critical during this early period following the DCA formation. The Treasurer's report is included as a separate item in this packet. The Administrative Services will facilitate procurement such as providing assistance in the development of Requests for Proposal (RFPs), review of proposals received and selection of consultants for recommendation to the DCA Board for professional services contract awards.

Initial review of responses to the Executive Director request for proposal (RFP) suggest that all proposals should be rejected, the RFP should be reworked and perhaps split into two: an Executive Director and a Program Director. With the DCA Board's participation, the Executive Director position could be processed through an executive recruitment firm while the Program Director components of the original RFP could be updated and included in a new RFP.

Other inter-agency agreements for best-in-class individuals at DWR and various public water agencies are in process.

Recommended Action:

Information, only.

Board Memo

Contact: Stefanie Morris, Interim General Counsel

AGENDA DATE: July 19, 2018

Item No. 8b

Subject:

General Counsel's Report.

Executive Summary:

Since May, legal has spent most time making the detailed regulatory filings and commencing work on policies, such as the document retention policy, reviewing and drafting Inter-Agency agreements for work as directed by the Executive Director.

Detailed Report:

General Counsel has worked with the Executive Director to outline and develop Inter-Agency agreements as needed. Additionally, all previous RFP and RFQs were properly collected from the Department of Water Resources and the State Water Contractors Project Authority, documented and provided to the Acquisition team. At the Executive Director a document retention policy was drafted and will be presented to the Board of Directors. General Counsel continues to work on draft bylaws to bring to the Board of Directors.

General Counsel has filed the necessary formation documents with State and Federal agencies.

Recommended Action:

Information, only.

Board Memo

Contact: June Skillman

AGENDA DATE: July 19, 2018

Item No. 8c

Subject:

Treasurer's Monthly Report, June 2018

Executive Summary:

- During June 2018, \$800,000 was received into the DCA Start-up Trust. Contributions were received from Metropolitan Water District of Southern California (\$400,000), Santa Clara Valley Water District (\$200,000) and Alameda County Flood Control & Water Conservation District Zone 7 (\$200,000).
- Expenditures from the DCA Start-up Trust totaled \$3,562.50 during June 2018.
- The balance in the DCA Start-up Trust at June 30, 2018 was \$796,437.50.