

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING

Thursday, November 18, 2021

2:00 p.m.

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER

The regular meeting of the Delta Conveyance Design and Construction Authority (DCA) Board of Directors was called to order remotely - Conference Access Information: Phone Number: (916)262-7278, code:1447831438#, <https://meetings.ringcentral.com/j/1447831438> at 2:02pm.

2. ROLL CALL

Board members in attendance were Richard Atwater, Martin Milobar, Tony Estremera, Sarah Palmer, Gary Martin, Robert Cheng, and Adnan Anabtawi, constituting a quorum of the Board.

DCA staff members in attendance were Graham Bradner, Joshua Nelson, Nazli Parvizi, Ruth Douzinas, and Katano Kasaine.

Department of Water Resources (DWR) staff member in attendance was Carrie Buckman.

3. PLEDGE OF ALLEGIANCE

President Richard Atwater convened the open session at approximately 2:02 p.m. and led all present in reciting the Pledge of Allegiance.

4. PUBLIC COMMENT

President Atwater provided an overview of the public comment process, including the modification made to ensure compliance with AB361.

President Atwater opened Public Comment, there were no public comment requests received and closed the comment period.

5. APPROVAL OF MINUTES: September 16, 2021, Regular Board Meeting

Recommendation: Approve the September 16, 2021, Regular Board Meeting

Motion to Approve Minutes from September 16, 2021, as

Noted: Palmer

Second: Estremera

Yeas: Atwater, Milobar, Martin, Estremera, Palmer, Cheng, Anabtawi

Nays: None

Abstains: None

Recusals: None

Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as MO 21-11-01).

6. CONSENT CALENDAR

Recommendation: Approve Resolution Authorizing Virtual Board and Committee Meetings Pursuant to AB 361

Motion to Approve Resolution Authorizing Virtual Board and Committee Meetings Pursuant to AB 361, as

Noted: Palmer
Second: Estremera
Yeas: Atwater, Milobar, Martin, Estremera, Palmer, Cheng, Anabtawi
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 21-08).

7. DISCUSSION ITEMS:

a) DCA FY 2020/2021 Audit Report

Informational Item

Mr. Bradner informed the Board that the DCA Auditors completed their FY 20/21 financial audit. He introduced Brianne Wiese, the Lead Engagement Managing Director from KMPG, to provide an overview of the audit findings.

Ms. Wiese explained the scope and timing of the audit, stating that the DCA financial statements are prepared on the cash receipts and disbursement of accounting. The supplemental information included in the financial statements is unaudited and included for additional information. The audit field work was conducted during August and September 2021, with the assistance of MWD’s internal audit department.

Ms. Wiese also provided a summary of the audit results required communications, in which she refers to as the “no matters to report” slide. During the course of the audit, they identified that there were no matters to report or communicate. They are planning to issue an unmodified opinion on the auditor’s report, which is a clean opinion for all intents and purposes. Last year there was a going concern paragraph that was added to the report—given the uncertainty around future funding—that was going to the State Water Contractors Board for approval, in late calendar year 2020-early 2021. This was included in the June 30th financial statement as no matter to report.

Lastly, Ms. Wiese concluded her presentation with the Inquiries. Typically, the inquiries are made with the Board, however for this audit, the discussions were held with those attending the Board meetings. She welcomed comments/concerns from those in attendance today and stated it was a very clean audit.

President Atwater thanked Ms. Wiese for her concise and complete annual audit report.

No further questions or comments were presented from the Board.

b) November DCA Monthly Report

Informational Item

Mr. Bradner highlighted items in Section 1: Worked Performed. He stated that we are getting close to closing out FY 20/21, as it was delayed due to an extended task order, which expired at the end of September 2021. He also informed the Board that coming January, we will present a resolution to move any remaining funds, currently estimated between \$900,000-\$1,000,000, from FY2021 to the current fiscal year. Another item Mr. Bradner highlighted was the continuous progress on the Board Room build-out project. He is hopeful that the project will be completed prior to the next meeting but noted the supply chain issues we are currently facing.

Regarding engineering items, we are still providing support to DWR and the environmental team as clarification requests are received. A baseline version of an engineering project report is currently in the works. This report includes all of the associated technical memoranda and conceptual design sheet, which are used for the basis of the impact analyses.

On the field work front, we are continuing our efforts to collect and evaluate subsurface conditions—Delta wide. We are almost complete with the small field program that was conducted this Fall; however, the recent storms have prevented the completion of the last boring as it is in a vastly wet area. We are considering other options to finish the Fall field program.

Mr. Bradner continued to Section 3: Budget, explaining that we have a current budget of \$23,500,000. He reiterated that we are almost done with the close out for FY 2021 and rolling over any unused fund to this fiscal year.

Lastly, we are in the process of procuring a new geotechnical contract to continue providing subsurface data collection, testing, and reporting services to the DCA, for the duration of planning. The RFQ was released on October 1st, and we are in the process of reviewing the received statement of qualifications (SOQs). It is anticipated that a recommendation will be brought to the Board in January, if permitted.

Vice President Palmer inquired about the number of SOQs received for this procurement.

Mr. Bradner stated we have received three (3) SOQs thus far.

No further questions or comments were presented from the Board.

c) Approval of Second Amendment to Management Partners Agreement for Executive Director Services

Adopt Resolution

Mr. Nelson presented the second amendment to the Management Partners Agreement. This Amendment makes two (2) relatively minor changes to the Agreement. The first being, it extends the notice provision for the DCA to terminate the contract from the current 60 days, up to 90 days. In addition, the agreement currently requires DCA approval for any change in key personnel. This amendment would keep that requirement but add a new notice provision, requiring Management Partners to provide at least 60 days’ notice to the DCA of any proposed changes in key personnel, which is still subject to our approval. A redline was not provided in the packet, however the edit and changes are shown underlined in the attachment in the Board packet.

Recommendation: Approval of Second Amendment to Management Partners Agreement for Executive Director Services

Motion to Approve Second Amendment to Management Partners Agreement for Executive Director Services, as

Noted: Anabtawi
 Second: Palmer
 Yeas: Atwater, Milobar, Estremera, Palmer, Martin, Cheng, Anabtawi
 Nays: None
 Abstains: None
 Recusals: None
 Absent: None
 Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 21-07).

d) Sr. Leadership Spotlight – Ruth Douzinas, Project Controls Manager

Informational Item

Mr. Bradner briefly introduced Ruth Douzinas, DCA’s Program Controls Manager.

Ms. Douzinas received her bachelor’s degree in Environmental Biology at Dartmouth College. After realizing that engineers were the ones to make decisions, she attended Stanford University, where she received her master’s degree in Environmental Engineering. She started her career at CH2M Hill, now known as Jacobs Engineering, as a Junior Engineer performing water and wastewater condition assessments. She spent most of her tenure at CH2M Hill working on military bases as the Deputy Program Manager. This was the most pivotal point in her career, pointing her to public service. As a result of this, she went to work for NYC Department of Environmental Protection, Bureau of Engineering Design and Constructions, as a Programs Controls Director. After three (3) years with NYC, she started her own company, Trireme Consulting.

She went on to work for Bloomberg as a consultant and lead the effort to implement a structured delivery system for the various projects world-wide. Through this effort it re-affirmed her belief that those that get to work for the public sector is much more meaningful.

Ms. Douzinas has been with the DCA for one and a half (1.5) years. She currently oversees program controls and manages a team for cost management. She also is responsible for implementing and operating the Programs Controls Information System, amongst a vast number of other procedures and processes.

Mr. Bradner stated that Ms. Douzinas has been instrumental in establishing workflows and processes we have here at the DCA. He also thanked her for her contribution to the DCA.

Vice President Palmer stated she was glad to see Ms. Douzinas credentials, get to see who she is and know her better. She mentioned that this is another example of the quality of people working within the DCA and the DCA contains the most impressive folks.

Director Cheng stated Ms. Douzinas has impressive credentials, and he is happy that she is a part of the effort.

Director Martin thanked Ms. Douzinas for her presentation. He is glad that she is with us and welcomed her to the team.

President Atwater stated he appreciates Ms. Douzinas being on team and looks forward to hearing from her in the future.

Director Anabtawi appreciates the series of highlighting the DCA Team. He stated that project controls are extremely important to have on a complex project. He is happy to have Ms. Douzinas' super qualified expertise on this project as we move forward.

Director Estremera welcomed Ms. Douzinas.

Director Milobar echoed the previous comments made and stated it is extremely important to us to have Ms. Douzinas' such qualifications helping lead this project so that it will be an efficient and cost-effective effort.

No further questions or comments were presented from the Board.

e) **Stakeholder Engagement Committee Update**

Informational Item

Ms. Parvizi stated that the September SEC meeting was contentious and did not feel very productive. She mentioned that since last Spring, when the majority of the work was taken over by DWR, the agenda items have been less related to DCA work and more so to daylight other and DWR related information. The further we stray from the DCA's core competency, which is to get community feedback on the engineering and design concept, the less productive the meetings have become. Ms. Parvizi noted that the SEC is nearing an end as we move on to the California Environmental Quality Act (CEQA) and environmental impact report (EIR) phase. She emphasized that it is time to think about sunseting the SEC and this is timely based on the history of the SEC and what occurred in September. We had one (1) or two (2) resignations from the SEC before the last meeting, one (1) during the meeting, and one (1) during this week.

Vice President Palmer mentioned that there were many negative things mentioned at the meeting, however there were also a couple positive moments. She received feedback from some of the members that were feeling negative or contentious at the time. Some of the members mentioned that they truly appreciated the DCA staff and felt they had been treated with respect and felt heard during the meetings. She also stated that while the last meeting was a bit negative, there were a lot of positive things as well.

Ms. Parvizi added to Vice President Palmer's statement, stating that a lot of the folks are passionate about where they live and have a lot of comments and concerns about the project, rightfully so. She spoke with members after the meeting, and many mentioned that their concerns lie outside of the scope of the DCA and fall within CEQA and operational territory. She also stated that she is very grateful for the Stakeholder Engagement Committee and their committed attendance.

Vice President Palmer agreed with Ms. Parvizi and mentioned that in the future, there may be a need for another Stakeholder Engagement Committee, once the work is within the scope of the DCA. She reiterated that it has been a pleasure working with the DCA staff and those in the committee were very impressive and professional.

Director Estremera expressed his appreciation for the work of Ms. Parvizi and the DCA staff. He was particularly impressed by the transparency and responses provided by the DCA. He commended the professionalism and commitment of the DCA staff. He mentioned that DCA staff set a standard for transparency and what it to be expected from public officials.

President Atwater echoed Director Estremera's comment.

Alternative Director Barbara Keegan echoed all the comments made from the other directors. She added her appreciation for the SEC members who participated in an occasionally difficult process. She noted that there is a lot of sensitivity around the project as this is going to be built in people's neighborhoods. She also stated that the sunset of the SEC is going to provide the members with more flexibility to discuss and respond to future issues within the project, as well as advocate for their communities, as they will no longer be subjected to the Brown Act.

Mr. Bradner presented an overview of the SEC from the beginning to now. He reminded those present of the purpose of the SEC; to provide feedback to the DCA on engineering work with focus on reducing potential construction-related impacts. The SEC consisted of a maximum of 20 committee members, two (2) of which were DCA Board representatives, from a wide array of geographic locations. These members were not those who supported the project, but who lived and worked in the Delta and were willing to participate. Over the last two (2) years there were a total of 19 meetings held, which includes the last upcoming meeting on December 8, 2021. The duration of each meeting ranged from three (3) to four (4) hours. There were over 65 presentations agendized, prepared, and provided by the DCA and DWR.

Mr. Bradner mentioned that the DCA began work with the SEC by providing an introduction to the system, detailed review of key project elements, siting alternative studies for all the facilities, review of siting factors, scoring approach and rational, and ranking of various potential sites. As the proposed alignments started taking shape reviewed construction footprints, logistics and

traffic plans to support the proposed facilities. As adjustments were made to the conceptual design through the iterative process, we brought those back to the SEC to show them how their input was being incorporated into the conceptual design or those designs were evolving over time.

Mr. Bradner provided a detailed slide and explained how the DCA incorporated a vast amount of valuable input provided by the SEC, including reduced site footprints, shifted facility siting's away from natural areas and more. Mr. Bradner felt it was worth taking a moment with a Board to highlight some of the key adjustments that have been incorporated. The DCA has completed the conceptual designs earlier this year but have continued with the SEC so folks could see how the environmental impact analysis can drive changes in the design concepts. At this point we are nearing the end of the current phase and are preparing to transition our efforts to support DWR as they prepare to release the draft EIR. The SEC provided an opportunity for the conceptual design team to hear directly from the community on their concerns. It was always intended that the SEC would sunset once conceptual designs were completed.

Mr. Bradner concluded the presentation by acknowledging the dedication and commitment of the SEC, more so given the circumstances of the pandemic starting in April 2020. Although there were many concerns with converting to virtual meetings, the SEC prevailed and there was more overall public participation. The SEC experience will be memorialized through a white paper and the DCA will continue with community outreach and engagement briefings.

Ms. Buckman stated her appreciation for the committee members' time, energy, and passion. She moved on to further explain the public outreach and community engagement plan for 2022. DWR plans to have information resources available for public review to assist with the understanding of the draft EIR. They will encourage those to participate through emails, phone calls, meetings, briefings and more.

Director Cheng thanked Mr. Bradner for the comprehensive overview of the SEC. He agreed that the project is now in a transitional phase and the SEC has served its purpose. He proceeded to thank the DCA staff for their time in leading an important effort.

Director Martin pointed out that Mr. Bradner's presentation emphasized the level of effort put out by the DCA team. He then thanked the team for those efforts.

Vice President Palmer wanted to acknowledge that Kathryn Mallon had the vision for the SEC and saw it through the early stages. She expressed her appreciation for Ms. Mallon. She also recognized Ms. Buckman for her role in relaying the information of the environment aspects of the project for DWR.

Director Estremera expressed his appreciation of the SEC's Chair, Director Palmer and Vice Chair, Alternate Director Keegan, for performing exceptionally and setting the standard. He also thanked the committee for their tremendous participation on behalf of their community. Most importantly, he assured both the members of the committee and the communities that they represent, that the Board will always be committed to making sure they get to participate extensively, especially in the public benefit aspects.

Director Anabtawi echoed the praise others expressed.

No further questions or comments were presented from the Board.

8. STAFF REPORTS AND ANNOUNCEMENTS:

a. General Counsel's Report

A written report was provided in the Board package. Mr. Nelson highlighted the AB361 that was approved in the consent calendar. The statute requires the DCA to extend those findings once every 30-day period. Since the Board currently meets once every other month, this will require us to schedule special meetings as appropriate to ensure the findings do not lapse. These meetings will be coordinated with the Board as we need a quorum to make these findings.

b. Treasurer's Report

Two written reports were provided in the Board package. Ms. Katano provided an overview of the total disbursements of \$3,045,575 and ending cash balance as of October 31, 2021, of \$1,279,747. Advances totaled \$500,000 and total net position was \$785,522.

c. DWR Environmental Manager's Report

A written report was provided in the Board package. Ms. Buckman mentioned that DWR is currently working on preparing the Draft EIR; scheduled to come out mid-2022. She also noted that the technical webinars that we conducted in the Summer, are now available online in English and Spanish.

d. Verbal Reports

Vice President Palmer mentioned that a top-line management consulting did an agency profile featuring Mr. Bradner. This nine (9) page report included a summary of the DCA, and interview questions answered by Mr. Bradner. She also stated that she gave a well-received presentation to the Dublin Rotary Club about the DCA. After the presentation, the Diablo District Gardeners Association reached out to Vice President Palmer for a future update in February 2022.

No further questions or comments were presented from the Board.

9. FUTURE AGENDA ITEMS:

None.

10. ADJOURNMENT:

President Atwater adjourned the meeting at 3:17p.m., remotely - Conference Access Information:
Phone Number: (916)262-7278, code:1447831438#, <https://meetings.ringcentral.com/j/1447831438>