

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING

Thursday, May 19, 2022

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 in person and remotely - Conference Access Information: Phone Number: (669) 900-9128, code: 97054984924#, <https://sparkstreetdigital.zoom.us/j/97054984924> at 2:02 pm.

2. ROLL CALL

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

DCA staff members in attendance were Graham Bradner, Joshua Nelson, and Katano Kasaine participating remotely.

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 opened Public Comment, there were no public comment requests received and he proceeded to close the comment period.

5. APPROVAL OF MINUTES: March 17, 2022 Regular Board Meeting, April 08, 2022 Special Board Meeting, and April 21,2022 Special Board Meeting

Recommendation: Approve the March 17, 2022 Regular Board Meeting, April 08, 2022 Special Board Meeting, and April 21,2022 Special Board Meeting

Motion to Approve Minutes from March 17, 2022, April 08, 2022, and April 21,2022, as

- Noted: Estremera
- 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 MO 22-05-01).

**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, 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 21-08-08).

**7. DISCUSSION ITEMS:**

a) **April DCA Monthly Report**

*Informational Item*

Executive Director, Graham Bradner, provided an overview of the monthly board report, starting with Section 1: Worked Performed. In regard to Program Management, DCA Staff continues to develop the budget to Fiscal Year (FY) 22/23. Mr. Bradner highlighted that the Board Room Hybrid Meeting project is almost complete. DCA Staff also continue to push out project updates via social media. With respect to Engineering, the team is focused on supporting the Department of Water Resources (DWR) permitting efforts and furthering various engineering studies. The engineering studies are intended to document concepts for future consideration during later design phases. On the Field work side, DCA Staff maintain efforts to collect and evaluate Delta-wide subsurface data. This is to validate parameters assumed during the conceptual design. In April, most activities were associated with planning and preparing to conduct the spring program, including obtaining environmental clearances for the sites. The subsurface investigations are scheduled to start in May.

Director Robert Cheng inquired about the review work regarding the Mokelumne Aqueduct tunnel project.

Mr. Bradner informed the Board that East Bay Municipal Utility District issued a Notice of Preparation (NOP) regarding a proposed aqueduct tunnel project. The project has an alignment that would potentially intersect with the proposed Delta Conveyance Project. Because of this, DCA Staff reviewed the preliminary information and provided feedback.

Mr. Bradner continued to Section 3: Budget, stating that the total available funding for the current 21/22 fiscal year is just under \$24.5 million. He reminded the Board that the DCA originally started with \$21.5 million at the beginning of the fiscal year, which included zero (0) contingency or unallocated reserve. In July 2021 and January 2022, the DCA, with Board approval, rolled over underruns from the previous fiscal year, bringing the total available funding to just under \$24.5 million. Currently, the projection for an Estimate at Completion (EAC) for the current fiscal year is just under \$20 million, which leaves a collective underrun of between \$4.5 million to \$5 million.

Director Gary Martin asked if the DCA is projecting any schedule impacts for this year.

Mr. Bradner informed the Board that there are currently no projected schedule impacts. He also stated that the largest part of funding was associated with the collection of field data, which has recently started.

Director Robert Cheng commented that it seems there is approximately \$5 million in the variance, of which most is attributable to the field work, but due to unforeseen circumstances the projected field work is unable to get done in a timely manner.

Mr. Bradner agreed with Director Cheng's statement. He clarified that the underrun is comprised of \$3 million from FY 20/21 and \$1.5 million, almost \$2 million, from the current FY 21/22. Most of the underrun from FY 20/21 was due to projected field work that was unable to be completed.

Lastly, Mr. Bradner provided an overview of the program schedule, highlighting that the schedule is on track and the draft Environmental Impact Report (EIR) is scheduled to be released this summer.

Vice President Sarah Palmer stated that the program sequence on the bottom of Section 5: Program Schedule is useful, however, a yearly timeline with milestones, such as when construction is projected to start, would be a nice addition.

Mr. Bradner informed the Board that a yearly timeline with such milestones is intentionally not identified because there is a lot of unknown variables and uncertainty on the projected start date.

Treasurer Katano Kasaine requested clarification on if the DCA is seeking approval for the draft budget during this meeting.

Mr. Bradner clarified that the draft budget will be presented to the Board for approval at the June 2022 meeting.

No further questions or comments were presented from the Board.

**b) Draft FY 22/23 Budget**

*Informational Item*

Executive Director, Graham Bradner presented the draft FY 22/23 budget to the Board. The total proposed draft budget is \$31.16 million. The final budget will be presented at the June 2022 Board Meeting.

Mr. Bradner provided an overview of the planned technical work for the upcoming year, which includes continuing support of the permitting process with DWR, both in terms of preparing responses to any public comment on the engineering aspects of the project, and supporting other permit preparation. The DCA is also going to assist with stakeholder engagement with respect to the California Environmental Quality Act (CEQA) within the upcoming months. The execution of the geotechnical program is going to continue so to better understand conditions Delta-wide. The field data will support the evaluation of current assumptions on surface and underground conditions and is critical for validating conceptual design of the program components and providing information to DWR as it moves through the environmental review of the potential project. The DCA will be considering a range of engineering concepts and procurement contracting strategies to be further evaluated during future design phases.

Lastly, Mr. Bradner provided an overview of the proposed FY22/23 annual budget summary. He informed the Board that the budget does include an unallocated reserve of \$750,000 that's within the Executive Office subtask. He highlighted that the proposed program management office budget for FY 22/23 is very similar to FY 21/22. The main difference between the two (2) budgets is within the program initiation as there is approximately a \$4 million increase in the engineering field and approximately a \$2 million increase in the fieldwork field.

Director Adnan Anabtawi inquired about if the budget includes all of the underrun from the last two (2) fiscal years.

Mr. Bradner informed the Board that approximately \$3 million of the underrun is needed to cover the proposed budget for FY 22/23 and there will still be a balance remaining in the underrun.

Director Anabtawi asked if the underrun is expected to be spent in the following fiscal year or if there is a plan of when it is going to be spent.

Mr. Bradner informed the Board the underrun is currently not assigned to anything and is available for work that may be necessary.

Director Robert Cheng inquired about what the difference between the two (2) activities for DWR support identified on the schedule.

Mr. Bradner informed the Board that the first one identified on the schedule is 'request for information or design changes' and it is related to the work that has been done while getting ready for the public draft of the EIR and CEQA. The second one 'permit, preparations, and hearings' is associated with other permits that will be supporting DWR.

DWR Environmental Manager, Carrie Buckman, elaborated that the request for information or design changes is very much a request for information as when the environmental team is performing the analysis, they want more information or clarification around certain subjects or need information to be refined. The support is more focused on the water rights hearing, which DWR will request support from the DCA for that process.

No further questions or comments were presented from the Board.

c) **Conflict of Interest Code Amendment**

*Adopt Resolution*

Josh Nelson presented a Board Memo regarding this item. He informed the Board that the Political Reform Act requires the DCA to adopt a conflict-of-interest code. This code identifies those positions within the organization that are required to file a form 700 or a statement of economic interest. This form requires the person to list all of their potential financial interests which could potentially create a conflict of interest in the future. The DCA adopted their initial code in 2018 when the DCA was formed. The Fair Political Practices Commission, which is responsible for administering this area, requires agencies to periodically review and update their code as appropriate. In reviewing the initial code, there has been a number of changes to DCA's organizational structure. The edits proposed would update the code to reflect the current organizational structure. There was a notice period where the edits were available for public comment and the DCA did not receive any comments.

Vice President Sarah Palmer inquired about which category the DCA Board are a part of.

Mr. Nelson informed the Board that they are required to disclose their interests in all categories.

No further questions or comments were presented from the Board.

Recommendation: Consider Passing Resolution to Approve Conflict of Interest Code Amendment

Motion to Approve Passing Resolution to Approve Conflict of Interest Code Amendment, as

Noted:	Martin
Second:	Estremera
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 22-04).

d) **Travel Policy Update**

*Adopt Resolution*

Josh Nelson presented a Board Memo regarding this item. He informed the Board that the Joint Exercise of Powers Agreement (JEPA) with DWR requires the DCA to adopt a Travel Policy. The Travel Policy is approved by the DCA Board by resolution and then approved by DWR. The DCA has a current policy in place but in reviewing it, the DCA has identified areas that need to be updated. The edits are listed in the Staff Report. Mr. Nelson stated that the vast majority of DCA's contracts adhere to part one (1) of the Travel Policy, which uses a multiplier approach. The DCA has the more detailed Travel Policy because if the project were to receive federal funding, the DCA will be required to act under that portion of the policy to be consistent with federal guidelines. It

is also needed as some contracts do not adhere to part one (1), so the DCA ensures that the contracts abide by the detailed Travel Policy.

If approved by the Board, the DCA will review all current agreements to ensure they are consistent with the updated policy.

No questions or comments were presented from the Board.

Recommendation: Consider Passing Resolution to Approve Travel Policy Update

Motion to Approve Passing Resolution to Approve Travel Policy Update, as

Noted:	Palmer
Second:	Anabtawi
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 22-05).

## 8. STAFF REPORTS AND ANNOUNCEMENTS:

### a. General Counsel's Report

A written report was provided in the Board package. Mr. Nelson reminded the Board that per AB361, the Board is able to meet remotely or in a hybrid format as long as the statewide declaration of emergency remains in effect or if social distance is recommended. There are two bills, AB1944 and AB2449, which are still in the early legislative process, that would make permanent changes to teleconference rules and provide greater flexibility for directors to participate remotely in meetings without having their location identified on the agenda. AB1944 would provide the most flexibility as it would allow the Board to make a finding that allows directors to participate in meetings from private locations remotely without making that private location accessible to the public. Under this bill, the name of the director participating remotely is required to be on the agenda, indicating that they are at a private location. AB2449 has more requirements, requiring that if a director is participating in the meeting remotely, a quorum of the Board has to be participating from a single physical location.

### b. Treasurer's Report

Two written reports were provided in the Board package. Ms. Katano reminded the Board that she is reporting every two (2) months. She proceeded to provide an overview of the cash balances for the month of March and April. She stated that the DCA's year-to-date actual expenses are \$5.4 million below budget.

### c. DWR Environmental Manager's Report

A written report was provided in the Board package. Ms. Buckman highlighted that DWR is continuing the development of the draft Environmental Impact Report (EIR) for the release this

summer. She also mentioned that the soil investigations have restarted and there is a link in the packet to a map that shows the planned explorations for the next two weeks. This map is updated weekly.

**d. Verbal Reports**

Nazli Parvizi provided a verbal report to the Board. She announced that in approximately a month, she will be wrapping up her time with the DCA. She expressed her appreciation for the opportunity to work with the Board, the DCA team, the DWR team, and the folks in the Delta.

President Atwater thanked Ms. Parvizi for her time at the DCA.

Director Gary Martin expressed his appreciation for Ms. Parvizi's efforts in working with stakeholders in the Delta.

Vice President Sarah Palmer expressed her gratitude with being able to work with Ms. Parvizi. She highlighted that Ms. Parvizi was well respected and trusted by the folks in the Delta, which is critical for the project. She stated that Ms. Parvizi was so valuable for moving this project forward.

Director Tony Estremera expressed his appreciation for Ms. Parvizi and her work with the Stakeholder Engagement Committee.

Director Robert Cheng stated that he regrets that he was unable to meet Ms. Parvizi in person. He enjoyed listening to her reports and her work with the DCA was a fine art.

Mr. Bradner thanked Ms. Parvizi on the behalf of the whole the DCA team. He recognized her for all of the work she has performed.

**9. FUTURE AGENDA ITEMS:**

Vice President Palmer requested for updates on the potential intersect of the East Bay Municipal Utility District with the proposed Delta Conveyance Project to be brought to the Board as a future agenda item.

Mr. Bradner and Ms. Buckman informed the Board that the NOP issued is strictly preliminary and something that the DCA and DWR will keep track of and coordinate if and when it is appropriate to do so. As of now, there is not anything to report.

Director Anabtawi requested for the DCA to incorporate more Sr. Leadership Spotlights on future agendas.

**10. ADJOURNMENT:**

President Atwater adjourned the meeting at 2:53 p.m., in person and remotely- Conference Access Information: Phone Number: (669)900-9128, code: 97054984924#, <https://sparkstreetdigital.zoom.us/j/97054984924>