

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING

Thursday, June 15, 2023

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, by teleconference, and remotely - Conference Access Information: Phone Number: (669) 444-9171, Code: 85979129742#, <https://dcdca-org.zoom.us/j/85979129742?from=addon> at 2:00 pm.

President Palmer noted that item six (6)d, Adopt Resolution Approving the Amended Procurement Policy, was removed from the agenda and would be brought to the Board for consideration at a future meeting.

2. ROLL CALL

Board members in attendance from the DCA Boardroom were Sarah Palmer, Robert Cheng, Gary Martin and Miguel Luna. Adnan Anabtawi participated from Mojave Water Agency Conference Room, Alternate Director Barbara Keegan sitting in for Tony Estremera participated from Valley Water Headquarters Boardroom and Martin Milobar participated from a remote teleconference location in Arkansas, constituting a quorum of the Board.

Alternate Directors in attendance remotely were John Weed, Russel Lefevre, Dan Flory and Dennis LaMoreaux. Bob Tincher attended from the DCDCA Boardroom; the Board Clerk captured their attendance for the record.

DCA staff members in attendance were Graham Bradner and Joshua Nelson.

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

3. PLEDGE OF ALLEGIANCE

President Sarah Palmer convened the open session at approximately 2:03 p.m. and led all present in reciting the Pledge of Allegiance.

President Sarah Palmer adjourned the Regular Board Meeting to convene the Special Board Meeting at 2:05 p.m.

4. PUBLIC COMMENT

President Palmer reconvened the regular meeting open session after adjourning the Special Board Meeting at approximately 2:09 p.m. and opened Public Comment. There were no public comment requests received and she proceeded to close the comment period.

5. APPROVAL OF MINUTES:

a) May 18, 2023 Regular Board Meeting

Recommendation: Approve the May 18, 2023 Regular Board Meeting Minutes

Motion to Approve Minutes from May 18, 2023, as

Noted:	Milobar
Second:	Anabtawi
Yeas:	Palmer, Milobar, Luna, Cheng, Anabtawi
Nays:	None
Abstains:	Martin, Keegan
Recusals:	None
Absent:	None
Summary:	5 Yeas; 0 Nays; 2 Abstain; 0 Absent. (Motion passed as MO 23-06-02).

6. DISCUSSION ITEMS:

a) June DCA Monthly Report

Informational Item

Executive Director, Graham Bradner, presented an overview of the monthly board report. He started with Section 1: Worked Performed, highlighting that the Program Management Team and Administration Team are working on closing fiscal year (FY) 2022/23 and preparing new task orders for FY 2023/24. The Engineering Team is continuing to support the DWR permitting efforts by responding to requests for clarification or additional information resulting from public comments received on the draft Environmental Impact Report (EIR) regarding engineering quantities and concept designs that the DCA developed. The Fieldwork Team is actively working on the ongoing Spring fieldwork exploration program in the Delta. The fieldwork will continue through the end of this calendar year as there are plans for a Summer and Fall exploration program. This work will wrap up the fieldwork being performed under the Initial Study Mitigated Negative Declaration.

Mr. Bradner continued to Section 3: Budget, reminding the Board that the approved budget for FY 2022/23 is \$31.16M of which \$28.57M has been committed. The uncommitted budget is currently within the Executive Office under unallocated reserves. The DCA is forecasting an Estimate at Completion budget of approximately \$27.11M, creating an underrun of roughly \$4M which is expected to increase as the fiscal year closes.

Lastly, Mr. Bradner went over the program schedule which lays out the program support activities as planned. He highlighted that the DCA rescoped the efforts and reallocated a portion of the budget for the Project Definition Reports (PDR) into unallocated reserves, allowing this task to be

completely on track. Further work will commence on the PDRs if and when DWR makes a decision on the proposed project.

Director Luna inquired about the fieldwork exploration program and if it is foreseen to continue through 2024.

Mr. Bradner informed the Board that the fieldwork being completed is to support DWR's evaluation of alternatives and will end when DWR concludes the environmental analysis associated with the EIR. The exploration program is expected to be completed at the end of the calendar year 2023.

Director Cheng asked if the fieldwork exploration program and laboratory analysis sync together.

Mr. Bradner informed the Board that the Spring program is ongoing and continues to make rapid progress. The fieldwork portion is expected to be completed by the end of this fiscal year 2022/23. The laboratory analysis and associated documentation will need to be performed in FY 2023/24. The DCA will later seek and request authorization from the Board to roll over funds for the laboratory analysis from the FY 2022/23 budget to the FY 2023/24 budget.

Director Martin inquired if the program is obtaining the required property access needed to continue this year's program and if there are any anticipated issues for future access.

Mr. Bradner informed the Board that the property access is a work-in-progress that is expected to go on throughout the calendar year 2023. The DCA continues to actively work with landowners and negotiate temporary access permits where needed. Some of the permits have transitioned to a court ordered entry process.

No further comments or questions were received from the Board, nor were any public comment requests received.

b) Fiscal Year 2023/24 Budget

Approve by Minute Order

Executive Director, Graham Bradner, informed the Board that there is a detailed budget presentation included in the Board package. The proposed FY 2023/24 Budget includes an overview of DCA's Work Breakdown Structure (WBS). The WBS is developed to cover all of the work that is to be completed throughout the duration of the project. The Program Management Office (PMO) phase is expected to continue through all of the phases of the program. The Program Initiation (PI) phase consists of the current engineering conceptual work being completed to support the environmental planning. Future phases are anticipated to be the Program Execution, which will be the delivery of all of the individual projects, and Program Closeout, which will be the closeout of all the financial, record, and other documents once the work is complete.

Within the PMO, there are ten (10) budget categories. The first being Executive Office (EO), which includes the activities for the Executive Director, Chief Engineer, and the support for the DCA Board Meetings. It also includes activities that provide financial, legal, and human resources oversight to the DCA and houses the allocated reserves in the undefined allowance. The second budget category is Community Engagement (CE), which includes all activities related to the DCA's

outreach with interested stakeholders, supporting DWR with outreach efforts, and managing content on the DCA website and social media outlets. Program Controls (PCTRL) is the third category, containing the group that provides management support across the entire organization for budget, cost, schedule, risk, and document control, although the DCA has not dedicated funds to the risk management portion. The Administration (AD) group, the fourth budget category, is responsible for management of administration, including DCA's physical facilities, rent, utilities, supplies, furniture and all of the IT infrastructure, hardware and software services. The fifth group, known as Procurement and Contract Administration (PCA), manages the procurement of all goods and services for the organization. This includes Request for Proposals/Qualifications (RFP/Qs), bids, contract negotiations, insurance, contract amendments and closeout. The DCA anticipates a few procurements in FY 2023/24 and will update the Board once the RFP/Qs are ready. The sixth budget category under PMO is Property (PY) and Permitting Management (PM). The PY group has the responsibility of securing all property-related permissions and acquisitions including temporary entrance permits for fieldwork activities. The PM group provides support in being the permit liaisons to help coordinate DCA activities with DWR's permitting activities. The last three (3) budget categories are Health and Safety (HS), Quality Management (QM), and Sustainability (ST). These groups are responsible for preparing their respective Program Management Plans and overseeing implementation of the plans across all DCA activities.

The Program Initiation phase includes two (2) budget categories, Engineering (PIE) and Fieldwork (PIF), that support the DWR Environmental Planning efforts. The Engineering group is responsible for conducting technical studies and alternatives analyses to support the development of conceptual level design reports. The design reports will be developed for all alternatives identified by DWR as part of the Environmental Planning process. Once the Environmental Planning work is complete, the DCA engineering activities will transition into the Program Execution phase with a new budget code structure reflective of delivery of individual capital projects. The total budget assigned to the PIE tasks is \$15.6M. Mr. Bradner noted that the budget for the PIE-Project Definition Reports is a placeholder as the work is pending DWR's decision of the proposed project. The Fieldwork group budget is approximately \$7.6M, which covers the 2023 Summer and Fall exploration programs, but does not include the budget needed to finish the documentation and laboratory work for the 2023 Spring exploration program.

Lastly, Mr. Bradner provided a summary of the budget for major vendors and consultants, which is approximately 90% of the budget. He informed the Board that the total proposed budget for FY 2023/24 is \$39.95M.

Director Cheng requested an example of the project definition reports.

Mr. Bradner informed the Board that the DCA has the conceptual engineering work that's been performed to date that is documented in the engineering project reports for all alternatives being evaluated within the EIR. When and if the project moves forward, the engineering team will need to take the relevant information and create a report specific for each procurement and that would be a basis for procuring the next phase of work associated with the design of that feature. The project definition reports are similar to a basis of design report but are focused on specific features, whether it be individual features or a cluster of features.

Director Luna inquired as to why the program controls schedule management jumped from \$1.2M to \$1.3M.

Mr. Bradner informed the Board that DCA had dedicated additional full-time resources to develop a complete schedule for work included in the current phase, as well as evaluating scenarios and alternatives through the design, construction, and commissioning phase.

Director Luna inquired about the increase of \$6M funding from Jacobs, going from \$10M to now \$16M and what DCA expects out of the increase in budget.

Mr. Bradner informed the Board that as the project continues to move forward, there are additional efforts associated with engineering, studies and work to continue the project. The increase is mostly associated with the project definition reports task and additional studies scheduled for the second half of the fiscal year, however it is dependent on DWR's decision about the project.

Director Anabtawi inquired about the expectation that the DCA will have or be providing on the permitting related to change in point of diversion or any Delta Plan consistency appeal and if that is also included in the PMO budget.

Mr. Bradner informed the Board that current efforts for permit support activities are focused on CEQA. Moving forward the DCA will be migrating some of WBS titles and efforts to continue the permitting support and there is also the liaison to assist and translate between the work that DCA and DWR does to ensure that there is full understanding of the program between both organizations. The budget for this is currently included in the PIE-CEQA Engineering Support and PM budget groups.

Director Martin stated that the budget straddles what is believed to be the completion of the environmental effort and trusts that the budget is built to support the efforts going forward.

Mr. Bradner informed the Board that Director Martin's statement above is correct, and the budget is built to support continuation of efforts in the planning and permitting phase of the project.

DCA Treasurer, Katano Kasaine, inquired if the budget for 2023/24 is projected until June 2024 and if there has been a plan set as to how DCA will be funded for the following FY 2024/25.

Mr. Bradner informed Ms. Kasaine that the FY budget 2023/24 ends on June 2024, but DCA is currently funded until end of calendar year of 2024. The DCA needs to allow for completion of the CEQA process and DWR's opportunity to make a decision about the future of the project. Currently the DCA is focused on the next fiscal year and completion of the current phase of work.

President Palmer stated that once DWR makes a decision, the DCA will move forward on the project.

No further comments or questions were received from the Board, nor were any public comment requests received.

Recommendation: Approve Fiscal Year 2023/24 Budget

Motion to Approve Fiscal Year 2023/24 Budget, as

Noted: Martin

Second:	Milobar
Yeas:	Palmer, Milobar, Martin, Luna, Keegan, Cheng, Anabtawi
Nays:	None
Abstains:	None
Recusals:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as MO 23-06-03).

c) **Adopt Resolution Approving the Sustainability Policy**

Approve Resolution

DCA Sustainability Manager, Ann-Ariel Vecchio, informed the Board of the sustainability policy. The purpose of the sustainability policy is to establish high-level sustainability goals, identify supporting processes and procedures required to drive the successful implementation of sustainability practices throughout the Program.

In balance with other goals of the program, the DCA considers a range of factors that would allow the program to maximize the opportunities to deliver this project in a sustainable fashion. The first goal would be to develop programmatic and project sustainability management plans to define objectives, strategies, and performance metrics for Program operation as well as the design and construction aspects of the Program. This would be conducted in coordination with all regulatory environmental commitments. Other goals of the sustainability policy are to consider strategies to reduce energy and water consumption, conserve natural resources, and minimize waste generation; understand the environmental impacts of the supply chain and project implementation choices; prioritize health and safety for all DCA staff, subcontractors, and the public; consider community and social context and support the local economy; and review and report on sustainability activities on a regular basis.

The sustainability implementation is a three-tiered process with increasing levels of detail in each component, starting with the initial development and continuing to the implementation level.

DCA’s goal is that the programmatic sustainability plan would also guide the contents of the project specific sustainability plans which are anticipated to be managed and completed by the actual project delivery teams. Those plans would also include specific metrics and targets as well as guidance on reporting so that everything that is done at a very detailed level can be reported along the way to various audiences.

Director Cheng commented that the sustainability goals are a great feature to the program.

Director Luna inquired in the regards to the principals of the sustainability policy, if the goals were considered the principles or if there was a list of the principles within the sustainability policy.

Ms. Vecchio informed the board that the principles are in connection with the goals and that in the actual development in the program plan, the DCA can articulate with more specificity to sub-goals and relay out objectives and strategies that are more in line with the direction of the program.

President Palmer commented that the DCA would look at their sustainability principles and then have programmatic goals that eventually evolve from the principles.

Director Martin inquired as to when the Board would start receiving reports on sustainability activities.

Ms. Vecchio informed the Board that they could discuss with the Board if they would like previews or progress on the developing sustainability plan. Ideally the next phase is to be in a more substantial sustainability plan that will allow the DCA to articulate the objectives and once complete, can start reporting on those specific objectives.

President Palmer inquired if more of the sustainability terms and objective would start possibly in December 2023.

Ms. Vecchio informed the Board that the sustainability schedule and plan is in concordance with the environmental review. It would be at least a year until the sustainability plan is complete and the DCA will then start reporting on what is identified at that point.

Alternate Director Keegan requested that the sustainability goal of “prioritize health and safety for all DCA staff, subcontractor, and the public” be changed to “prioritize health and safety for all public, DCA staff and subcontractors”.

Director Anabtawi commented that the sustainability policy is a great policy.

DCA General Counsel, Josh Nelson, informed the Board that President Palmer could incorporate the amendments in her approval, the first edit would be to replace principles with goals, second would be to modify the prioritize health and safety for all DCA staff, subcontractors, and the public bullet point under sustainability goals to know read as prioritize health and safety for everyone including the public, DCA staff and subcontractors.

President Palmer agreed with Mr. Nelson’s comment.

No further comments or questions were received from the Board, nor were any public comment requests received.

Recommendation: Adopt Resolution Approving the Sustainability Policy

Motion to Adopt Resolution Approving the Sustainability Policy, as amended, as

Noted:	Cheng
Second:	Martin
Yeas:	Palmer, Milobar, Luna, Keegan, Cheng, Anabtawi, Martin
Nays:	None
Abstains:	None
Recusals:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 23-06).

d) **Adopt Resolution Approving the Investment Policy**

Approve Resolution

DCA Treasurer, Katano Kasaine informed the Board of the Investment Policy for fiscal year 2023/24. The Investment Policy is required according to sections 53600 et seq. of the California Government Code to expressly grant the authority to the Board of Directors to invest public funds and that authority may be delegated to the Treasurer for a one (1) year period. The investment policy is a guide as to how DCA invests the funds.

No comments or questions were received from the Board, nor were any public comment requests received.

Recommendation: Adopt Resolution Approving the Investment Policy

Motion to Adopt Resolution Approving the Investment Policy, as

Noted:	Anabtawi
Second:	Luna
Yeas:	Palmer, Milobar, Martin, Luna, Keegan, Cheng, Anabtawi
Nays:	None
Abstains:	None
Recusals:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 23-07).

e) **Adopt Resolution Approving the Second Amendment to the VMA Communication, Inc. Agreement for Professional Services to provide Communications Support Services**

Approve Resolution

DCA Executive Director, Graham Bradner, informed the Board that this item is to request authorization from the Board for an amendment to the VMA Communications contract. The amendment includes several administrative changes as well as an increase in the not to exceed amount of the contract. This is to ensure that the DCA can adequately fund the activities included in the contract through the end of the term. He also acknowledged that Valerie Martinez from VMA is the DCA's Communications Manager, which requires more funding than what was previously provided to VMA.

Director Martin requested clarification on if this increase is reflected in the FY 2023/24 budget.

Mr. Bradner confirmed that it is included in the FY 2023/24 budget.

Director Cheng asked if there were any changes to the fee schedule.

DCA Board Clerk, Claudia Rodriguez, informed the Board that there were changes to the rate as the DCA negotiated a new rate for Ms. Martinez for her new role as DCA's Communications Manager. She also noted that this contract is a unit cost contract and the rates have been in line with the cost-of-living adjustment (COLA) and this rate had a slight increase for inflation purposes.

Mr. Bradner added that the fee schedule has been pulled from the master contract and will be included in the task orders to allow for a more efficient process when changes need to be made.

Director Luna stated that right now, more than ever in the project, communications is going to be key.

President Palmer stated that she had the opportunity to work with Ms. Martinez during her time with the Stakeholder Engagement Committee and recognized her for the value that she offers with her qualities and abilities.

Ms. Rodriguez informed the Board that VMA is aligning with DWR's communications team to ensure that the mission and vision of the communications program is in alignment.

No further comments or questions were received from the Board, nor were any public comment requests received.

Recommendation: Adopt Resolution Approving the Second Amendment to the VMA Communication, Inc. Agreement for Professional Services to provide Communications Support Services

Motion to Adopt Resolution Approving the Second Amendment to the VMA Communication, Inc. Agreement for Professional Services to provide Communications Support Services, as

Noted: Luna
Second: Cheng
Yeas: Palmer, Milobar, Martin, Luna, Keegan, Cheng, Anabtawi
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 23-08).

f) **DCA Board of Directors Meeting Cadence**

Informational Item

DCA Executive Director, Graham Bradner, informed the Board that it is Staff's recommendation to maintain the current Board meeting cadence of meeting every other month, then stacking up meeting in the Spring as the end of the budget cycle approaches. He reminded the Board that meetings can be added upon Board request. A proposed calendar for the Board meetings is included in the Board package.

President Palmer confirmed the cadence of the Board meetings and stated that it is working well. In the event that things start picking up in the future, then meetings can be added. She believes that the meetings should continue on a bi-monthly basis.

Director Luna requested that the Board meeting invites be populated for the next fiscal year.

Mr. Bradner highlighted that the December Board meeting was tentatively adjusted to a week earlier due to holidays.

President Palmer agreed that the meeting should be clear of the holidays.

No further comments or questions were received from the Board, nor were any public comment requests received.

7. STAFF REPORTS AND ANNOUNCEMENTS:

a. General Counsel's Report

DCA General Counsel, Josh Nelson, informed the Board that the written report is in the Board package. Mr. Nelson noted that the Senate passed SB 537 in late May and this bill will now be considered by the Assembly. It would allow "multijurisdictional" bodies, such as the DCA, to utilize more flexible remote meeting rules. Importantly, directors of these bodies could attend from publicly accessible offices and buildings without making those locations official teleconference locations if they were located more than 40 miles from the in-person meeting location. The DCA will continue to monitor this bill as it is considered by the Assembly.

No comments or questions were received from the Board, nor were any public comment requests received.

b. Treasurer's Report

DCA Treasurer, Katano Kasaine, provided an update for April 2023 and May 2023. Receipts for April and May 2023 totaled \$3,373,497 representing contributions from the Department of Water Resources, Delta Conveyance Office (DCO) for payment of the Authority's obligations and total disbursements for the same period were \$3,226,035 resulting in an ending cash balance of \$709,976 on May 31, 2023. For the same period, advances totaled \$800,000.

Mr. Bradner added that the DCA has identified that there was a disconnect between what the treasurer was reporting and what the DCA is reporting in the monthly board report. To mitigate any confusion, the treasurer will not track the budget on a monthly basis and instead will reconcile at the end of the fiscal year.

No comments or questions were received from the Board, nor were any public comment requests received.

c. DWR Environmental Manager's Report

DWR's Environmental Manager, Carrie Buckman, informed the Board that staff is continuing to work through the California Environmental Quality Act (CEQA) process and responding to comments received from the draft EIR with the expectations of a final complete at the end of the year.

Director Luna inquired about the number of comments that are still needing to be responded to.

Ms. Buckman informed the Board that there are approximately a total of 4,800 technical comments, of which 3,200 have drafted responses.

No further comments or questions were received from the Board, nor were any public comment requests received.

d. Verbal Reports

None.

8. FUTURE AGENDA ITEMS:

President Palmer requested a staff spotlight for DCA's Sustainability Manager, Ann-Ariel Vecchio.

9. ADJOURNMENT:

President Palmer adjourned the meeting at 3:09 p.m., remotely-Conference Access Information:
Phone Number: (669) 444-9171, Code: 85979129742#, <https://dcdca-org.zoom.us/j/85979129742?from=addon>