

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING

Thursday, May 16, 2024

1:30 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: 87681496712#, <https://dcdca-org.zoom.us/j/87681496712?from=addon> at 1:30 pm.

2. ROLL CALL

Board members in attendance from the DCA Boardroom were Sarah Palmer, Gary Martin, Martin Milobar, Robert Cheng, Adnan Anabtawi, Tony Estremera participated from Valley Water Headquarters Boardroom and Miguel Luna participated from Metropolitan Water District.

Alternate Directors in attendance from the DCA Boardroom was Bob Tincher and remotely were Royce Fast, Dan Flory, Bob Tincher, Dennis LaMoreaux, Dan Flory and John Weed.

DCA staff members in attendance were Graham Bradner, Valerie Martinez, Adrian Brown, and Josh Nelson.

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

3. CLOSED SESSION

a) CONFERENCE WITH LEGAL COUNSEL

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2):

- i. *San Francisco Baykeeper, et al. v. DWR*, Sacramento Superior Court, Case No. 24WM000017 (and related cases Nos. 24WM000006, 08, 09, 10, 11, 12, 14, 62)

4. OPEN REGULAR MEETING & PLEDGE OF ALLEGIANCE- At Approximately 2:03p.m.

President Palmer announced that there was no reportable action from closed session.

5. APPROVAL OF MINUTES: April 18, 2024, Regular Board Meeting

Recommendation: Approve the April 18, 2024, Regular Board Meeting Minutes

Motion to Approve Minutes from April 18, 2024, as

Noted: Milobar
Second: Estremera
Yeas: Palmer, Milobar, Martin, Luna, Estremera, Cheng, Anabtawi
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as MO 24-05-01).

6. DISCUSSION ITEMS:

a) May DCA Monthly Report

Information Item

DCA Executive Director, Graham Bradner, presented to the Board Section 1, The program management team has continued to process invoices and development of budget information for the next fiscal year (FY) 2024/2025. On the administrative side, DCA continues with normal activities including preparation for the Delta tours during the summertime. DCA also started implementation of a learning management system that will be used for staff and upgrade the boardroom audio for better quality. Mr. Bradner moved on to the engineering team and stated that the Cost Estimate continues to be refined to evaluate costs and potential innovations. It would still require further consideration from DWR. Mr. Bradner stated that the engineering team is working on a project engineering report. This report will be a concise package of high-level engineering documents of the project including the Environmental Impact Report (EIR) and the selected project. This allows for a foundational document moving forward as DCA refines and develops future terms of documentation. Mr. Bradner continued to the field work section and stated that there are investigative teams out in the field and working on the spring program. Mr. Bradner stated that May will look similar to April.

Mr. Bradner continued to Section 3: Budget, DCA has an approved budget of \$40.4M. The DCA has committed \$36.8M through task orders, with an incurred to date of \$23.5M.

DCA's estimate at complete (EAC) shows \$34.8M with an underrun of about \$5.6M. The underrun is expected to grow as DCA approaches the end of the fiscal year. This has been a continuous yearly pattern of the budget and how the scope of work shifts throughout the year. DCA reassessed the budget to allow for the project to stay in line. This also includes increasing the workload and onboarding new staff from various consulting teams.

Mr. Bradner continued to explain Figure 1 FY 23/24 cash flow, the monthly planned expenditures are steady and as planned. According to the planned monthly expenditures, DCA continues to maintain below the planned budget. This allows for DCA to plan for new scopes or see how current scopes will be shifted or descoped and rolled into the next fiscal year.

Mr. Bradner continued to Section 5: Program Schedule and stated that much of the underrun originated within the project definition reports. The definition report states that it is at 14% of completion, those reports are envisioned to prepare and provide the next level of detail. DCA is still working on several relevant topics that would need to be done prior to launching into these project definition reports. Mr. Bradner stated that DCA is working through various aspects of the project to see which components need to be included in the individual project definition report. DCA has a better understanding as to when the definition reports need to be launched. Much of the underrun of the budget is due to DCA not launching the definition reports.

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

b) FY 24/25 Draft Budget Preview

Information Item

Mr. Bradner presented to the Board DCA's initial draft of the fiscal year budget for 2024/2025. The preliminary budget is for \$43M which is an increase for the approved \$40.4M for the current fiscal year. The planned work for the upcoming year will focus on continuing to support the DWR and all their permit documentation application efforts, responding to any requests for clarification or additional information or analysis, continue to execute our geotechnical program to better understand conditions associated with the Bethany Reservoir alignment, define and support current assumptions on underground conditions. The state is critical to validating assumptions on the conditions applied to the conceptual design, especially the tunnel stretches. DCA would like to continue developing the project delivery plan, this includes analysis of the overall program sequence design and construction Innovations, potential contracting strategy Innovations with a focus on looking for ways to reduce impacts, manage costs, reduce schedule, improve

constructability. DCA will continue all the developmental work that has been prepared in terms of policies procedures and the structural aspects as the program continues to evolve.

DCA contingency is \$1.6M while last year's was \$2M. The current contingency reflects uncertainties during the second half of the year. DCA works in phases and the main active phase is the program management followed by the program initiation where all the permit support, engineering and field work is. Lastly is the program delivery which is geotechnical investigations. With both budgets side by side, it shows a minor increase and shows the real estate considerations, permit management, quality management sustainability and geotechnical management. Mr. Bradner stated that more would be presented in the Finance Committee meeting after the special board meeting.

Director Cheng stated that the geotechnical aspect of the project is \$9.3M and agrees that his work needs to be conducted and will give certainty to advance the project.

Director Milobar stated that there was no entry for the geotechnical for Fiscal Year (FY) 24/25.

Mr. Bradner stated that the program initiation phase for fieldwork focused to support DWR's consideration of a broad suite of alternatives. Now that there is a project selected for further study by the department, DCA is shifting over into the program delivery due to now collecting additional data that will help inform potential designs down the road.

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

c) **Sr. Leadership Spotlight, Adrian Brown, Chief Contracting Officer**

Information Item

Mr. Bradner presented to the Board DCA's Chief Contracting Officer, Adrian Brown. Mr. Brown had been with DCA briefly in May of 2018 and is now back on board. Mr. Brown was born and raised in Canada and has lived in the Los Angeles, Sacramento and the Bay area regions. Mr. Brown and his wife are newly empty nesters and enjoy quality time with their grandson and watching him play sports. Mr. Brown has been a 19-year member and former president of the California Association of Public Procurement Officials. There are about 1,800 members from different lines of procurement in government including universities, cities, municipalities, counties and water districts. Mr. Brown is also a former representative of the Universal Public Procurement Certification Council (UPPCC) where he wrote board examination questions for the Certificate of Public Procurement (CPPO).

The CPPO is the management level of certification. Mr. Brown also has a Certified Professional Buyer (CPPB) certificate which is a buyer designation.

Mr. Brown continued to present to the board that recently in 2024, he was the conference program chair for the California Association of Public Procurement Officials (CAPPO). Mr. Brown holds a bachelor's degree in criminal justice and a Juris Doctor in Law. Mr. Brown has 22 years of government experience and 14 years in the private sector. He has worked for counties and cities water district and water authority. Mr. Brown previously worked in San Joaquin County as their Director of Procurement and Support services with a team of 25 of which they had 14 buyers. Mr. Brown is bringing to DCA project proposal on bid development and management, assisting the team with procurements, assisting with proposal and bid analysis and contract negotiation and administration. Mr. Brown will be assisting with staff leadership and professional development processes, policy development and enforcement and essentially will be enforcing DCA's purchasing policy. In addition, he will help DCA comply with laws and regulations as they refer to procurement.

President Palmer asked where Mr. Brown was in a photo from one of his slides.

Mr. Brown stated that he was in Disneyland. He stated that when he worked for Metropolitan Water District of Southern California, he lived close to Disneyland and purchased year-round tickets and was able to visit Disneyland frequently.

President Palmer asked what Mr. Brown does as an empty nester.

Mr. Brown stated that he travels with his family to the Bay area and Fresno.

Director Cheng stated that he is happy to have Mr. Brown on board and asked about his CAPPO conference experience in the Palm Springs area.

Mr. Brown stated that it was the 3rd conference and has two more years under contract in the next four years in Palm Spring, CA. There were over 300 new attendees and had about 800 attendees for that association. CAPPO is the oldest association in the United States.

Director Martin stated he is well qualified for the position in DCA.

No further comments or questions were received from the Board and no public comment requests received.

- d) **Resolution Approving the Third Amendment to the VMA Communications Inc. Agreement for Communications Support Services**

Approve Resolution

Recommendation: Adopt Resolution Approving the Third Amendment to the VMA Communications Inc. Agreement for Communications Support Services

Motion to Adopt Resolution Approving the Third Amendment to the VMA Communications Inc. Agreement for Communications Support Services

Noted: Estremera
Second: Anabtawi
Yeas: Palmer, Milobar, Martin, Luna, Estremera, Cheng, Anabtawi
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 24-05).

DCA Chief Contracting Officer, Adrian Brown presented to the board the extension of the contract with VMA Communications. Currently their contract is due to expire and would like to extend and add additional money to the contract, which would bring the contract maximum to \$2.75M.

Director Cheng stated if there was a limit to the number of amendments to the contract.

Mr. Brown stated that DCA can make as many extensions as needed. However, DCA intends to do a competitive solicitation in the later stages of 2024 or early 2025.

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

e) **Resolution Approving a Surplus Property Policy**

Approve Resolution

Recommendation: Adopt Resolution Approving a Surplus Property Policy

Motion to Adopt Resolution Approving a Surplus Property Policy

Noted: Martin
Second: Milobar

Yeas: Palmer, Milobar, Martin, Luna, Estremera, Cheng, Anabtawi
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 24-06).

DCA Chief Contracting Officer, Adrian Brown presented to the board as DCA grows, DCA will be purchasing new equipment and systems. This includes electronics, furniture and similar office equipment. Some of these materials are now at the end of their expected life, and staff recommends that the Board of Directors adopts a policy to outline the procedures for disposing of surplus property. Mr. Brown stated that the surplus items would go out to the public as an opportunity to bid on, they could be donated to charitable organizations or donated to schools.

Director Anabtawi asked when the equipment should be replaced.

Mr. Brown stated that San Joaquin County would replace the equipment every five years. The agency found that it was more advantageous to lease the items to avoid having to fix equipment. The leased equipment would be supported by the manufacturer if it needed to be fixed. Mr. Brown stated that in some cases there may be equipment that is not eligible to be returned. If the equipment is owned it is best to replace it due to computers not being able to maintain efficiency.

President Palmer stated if there were ways to completely erase all information from laptops.

Mr. Brown stated that staff or a vendor would be able to securely wipe information from DCA equipment.

Mr. Nelson stated that item 6e Surplus Policy states the process of removing all DCA materials from the equipment.

Director Martin stated if there was any prohibition about selling any of the equipment to employees of the DCA, DWR or anyone associated with the project.

Mr. Brown stated that there was language within the policy that DCA cannot sell equipment to anyone associated with the project.

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 there were no reportable actions.

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

b. DCP Communications Report

DCA Communications Manager, Valerie Martinez informed the Board that the communications team continues to work on the explainer videos and fact sheets. DCA had a booth during the ACWA Conference in Sacramento. The booth was in a prime location that allowed a lot of people to stop by and ask questions about the project. Governor Newsom also presented and spoke about the DCA project. The communications team continues to work closely with DWR with materials and information including the cost estimate and benefit cost analysis. DCA held a legislative tour in late April that was successful. Many legislators are scientists and are truly there to find information about the policy and the science that goes into the project. Claudia Rodriguez assisted a tour with Metropolitan Water District that was conducted in Spanish. This tour included information about the Delta Conveyance Project (DCP). Ms. Rodriguez did an excellent job presenting the project. Director Luna also attended the tour to assist with any question the participants had.

Ms. Martinez continued to present about the Legislative Outreach program and how DWR continues to work with the government affairs personnel. People are obtaining information and understanding the project.

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

c. DWR Environmental Manager's Report

DWR Environmental Manager, Carrie Buckman presented to the Board that DWR submitted the change in point of diversion petition to the State Water Resources Control Board in February and noticed it for public review. The protest period closed this past

Monday, and DWR addressed concerns and reached some settlement agreements with parties. DWR still has 45 protests.

Ms. Buckman continued to state that DWR continues to process and understand the issues reflected in those protests. DWR will engage with those parties to see if there are additional concerns that can be addressed before the hearing begins.

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

d. Verbal Reports

Director Anabtawi stated that he did attend ACWA and enjoyed the panel on the Delta Conveyance. He stated that Carrie Buckman was there as a panelist. Alternate Director Bob Tincher and Executive Director of the Sacramento River Settlement Contractors, Thad Bettner was also present. The Delta has much emotion, and it is very clear the spirit of collaboration and the amount of time spent having conversations and having those discussions with educating, understanding and listening from the presentation.

President Palmer stated that it was exciting to hear Governor Newsom presentation and how the Delta Conveyance is a climate adaptation project and to help DCA get permitted prior to Governor Newsom leaving office.

Director Milobar requested to go back to item 6d, asked why the increase in item 6d was double than the original pay amount.

Mr. Brown stated that there would be an additional amount of activity. Mr. Brown continued to state that the current maximum pay amount is 2.3M and will be adding more to allow VMA Communications to continue through the next close of the fiscal.

Mr. Bradner stated to the board that through his preference the VMA Communications contract was set to expire in October and is requesting to align the contract with the fiscal year. For the alignment there needed to be a marginal increase in the contract capacity.

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

8. FUTURE AGENDA ITEMS:

No future agenda items requested.

9. PUBLIC COMMENT:

No public comment requests.

10. ADJOURNMENT:

President Palmer adjourned the meeting at 2:48 p.m., remotely-Conference Access Information: Phone Number: (669) 444-9171, Code: 87681496712#, <https://dcdca-org.zoom.us/j/87681496712?from=addon>