

BOARD OF DIRECTORS MEETING

MINUTES

REGULAR MEETING
Thursday, August 16, 2018
1:30PM

(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 the Sacramento Public Library, Tsakopoulos Library Galleria, 828 I Street, Sacramento, CA 95814, at 1:30 p.m.

2. ROLL CALL

Board members in attendance were Tony Estremera, Steve Arakawa (alternate), Steve Blois, and Sarah Palmer constituting a quorum of the Board.

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

3. CLOSED SESSION

4. PLEDGE OF ALLEGIANCE/NATIONAL ANTHEM

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

5. REPORT OUT OF CLOSED SESSION

a. Conference with Legal Counsel - Significant exposure to litigation pursuant to Gov't Code section 54956.9(d).

The Board authorized Legal Counsel to act on behalf of the DCA.

b. Public Employee Appointment - Pursuant to Government Code Section 54957. Title: Executive Director.

No reportable action was taken.

6. PUBLIC COMMENT

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

President Estremera noted that three (3) comment letters were submitted prior to the meeting and provided to the Board and available in the back of the room. There were no verbal comments from the public.

President Estremera closed Public Comment.

7. APPROVAL OF MINUTES: July 19, 2018 Regular Board Meeting

Recommendation: Approve minutes of the July 19, 2018 Regular Board Meeting

Director Palmer noted that she was absent at the meeting and the alternate acted in her stead. Ms. Duerig noted that the correction would be made, and postings updated.

Move to Approve Minutes with changes, as noted: Blois

Second: Palmer

Yeas: Estremera, Arakawa, Blois and Palmer

Nays: None

Abstains: None

Recusals: None

Absent: None

Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-8-01)

8. CONSENT CALENDAR

There were no items on this month's consent calendar.

9. DISCUSSION ITEMS:

a. Consider Passing Resolution to Adopt Bylaws

Recommendation: Pass resolution adopting bylaws.

Ms. Morris gave a verbal report, noting the recommendation to pass a resolution to adopt the DCA Bylaws. She noted these bylaws are consistent with the DCA formation agreement. The detailed resolution and attachment of bylaws outlines the rules for governing the DCA.

Director Palmer requested clarification of the term common law and employee. Ms. Morris noted that the intention is for the DCA to not have any employees, that it is anticipated to be staffed by participating agencies and consultants. The specific language would apply in the event a common law employee was hired by the DCA, even though that is not anticipated.

Director Palmer requested clarification regarding the terms of a quorum, noting that alternate directors in attendance shall not be counted as part of the quorum.

President Estremera further clarified that alternate directors will only be counted toward the quorum in the absence of the Director for whom they are the alternate. Ms. Morris agreed and further clarified.

Director Blois noted that he had reviewed the resolution and bylaws and found them appropriate.

President Estremera suggested the following changes:

- Page 4, in the provision concerning compensation, President Estremera requested that the provision for reimbursement be edited to be consistent with the provision for compensation of the DCA formation agreement.

Ms. Morris noted that the travel policy in the document suggests the possibility to adopt a clarifying policy if needed in the future, which could further clarify recommendations without amending the bylaws. Following this discussion, the Board retained the original language .

- Page 6, as related to the agenda, President Estremera suggested that language be added to require agendas be approved by the Board President, along with all requests to include items on the agenda.
- Page 8, relating to standing committees, President Estremera suggested language be added to note that the Board President nominate members, and the Board subsequently approve the President’s nominations.

The Board agreed to the amendments on page 6 and 8 as requested by President Estremera.

Move to Adopt Bylaws with changes, as requested: Estremera

Second: Palmer

Yeas: Estremera, Arakawa, Blois and Palmer

Nays: None

Abstains: None

Recusals: None

Absent: None

Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-8-02)

b. Consider Passing Resolution to Adopt Ethics Policy

Recommendation: Pass resolution to adopt an ethics policy.

Ms. Morris summarized the staff recommendation to adopt the ethics policy resolution to guide DCA board members’, consultants’ and employees’ ethics and expectations for conducting DCA business. The intent is to establish uniform guidelines and procedures that encourage ethical conduct and provide guidance to achieve these objectives.

President Estremera suggested that under page 8, item (d) where it noted the President or “Directors” be changed to only “President”. Ms. Duerig noted that it had been left open to allow flexibility to reach out to other Board members in the event of an emergency. President Estremera was satisfied with the rationale, noting the section should remain unchanged.

Move to Adopt Ethics Policy: Palmer

Second: Blois

Yeas: Estremera, Arakawa, Blois and Palmer
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-8-03)

c. Consider Passing Resolution to Adopt Investment Policy

Recommendation: Pass resolution adopting investment policy.

Ms. Skillman outlined the investment policy, explaining it satisfies requirement under the current Government Code. The policy sets objectives for investments, and establishes types of securities, credit worthiness, and limitations on the percentage of the portfolio that can be invested. She noted that the policy is consistent with state guidelines and must be adopted anew every year.

Move to Adopt Investment Policy: Palmer

Second: Blois
Yeas: Estremera, Arakawa, Blois and Palmer
Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-8-04)

d. Consider Passing Resolution to Adopt Protest Policy

Recommendation: Pass resolution adopting protest policy.

Ms. Morris noted that the DCA anticipates awarding a number of contracts in response to Requests for Proposal (RFP) and Requests for Qualifications (RFQ). This resolution will establish a policy for protests for unsuccessful proposers.

Director Arakawa asked for clarification as to whether or not there is anything unique about the proposed policy. Ms. Morris responded that it is consistent with other such policies. Although it is more streamlined, it contains the basic requisites for ease of administration. She further highlighted that the policy does not change the basic procurement process.

Director Palmer questioned if any limitations will exist for the Board in terms of the Board's timeliness to respond to any protest. Ms. Morris noted that it provides the Board with flexibility, requiring a reasonably timely response but also allowing time for investigation into the alleged basis of any protest.

Move to Adopt Protest Policy: Palmer

Second: Blois
Yeas: Estremera, Arakawa, Blois and Palmer

Nays: None
Abstains: None
Recusals: None
Absent: None
Summary: 4 Yeas; 0 Nays; 0 Abstains; 0 Absent. (Motion passed as MO 18-8-05)

e. Consider Logo Options and vote to select one by minute order

Recommendation: Adopt logo.

Options for the DCA logo were presented to the Board. The Directors reviewed the logos and held a general discussion regarding aesthetics and significance of each of the four designs. The Board took an informal vote and selected Logo 1 by a vote of 3-1, with Director Palmer strongly opposing. President Estremera asked Director Palmer for additional comments and received input on ways that Logo Options 1 and 3 could be improved. President Estremera opened for public comment.

One comment was received noting that the presence of the color green is important in the overall design and that the absence of green detracts from the dimension reflecting the importance of agriculture.

President Estremera continued the item until the September Board meeting and directed that Logo 1 be refined based on Board comments.

10. STAFF REPORTS AND ANNOUNCEMENTS

a. Executive Director Report

Ms. Duerig provided an update on activities since the July meeting, noting that the Board had received this information in their packet and that it had been posted online as well. Regarding a new office location for the DCA, Ms. Duerig noted that seven sites have been visited and the team will refine and create matrix for comparison and a recommendation to the Board. There are a range of options and factors for consideration including transportation, parking, Board room access, security levels etc.

b. General Counsel Report

Ms. Morris noted as a clarification to Exhibit A to the written report that the bold milestones are firm dates and the remainder are estimates which will be updated on an as-needed basis.

c. Treasurer's Report

Ms. Skillman reported on financial activities for July 2018, noting that the statements provided are consistent with state requirements. She highlighted that the July receipts for the DCA include interest, and the legal invoice. She also noted that enterprise accounting is in progress by the Metropolitan Water District of Southern California (MWD) and the DCA will be able to report budget versus actuals for more robust reporting in the near future.

d. Verbal Reports

There were no verbal reports at this session.

11. FUTURE AGENDA ITEMS:

President Estremera requested that the selection of a DCA logo be brought back to the Board in September for consideration.

12. ADJOURNMENT:

The next meeting of the DCA will be held on September 20, at 2 p.m. in the Sacramento Public Library, Tsakopoulos Library Galleria, 828 I Street, Sacramento.

President Estremera adjourned the meeting at 2:43 p.m.