



June 20, 2024

Delta Conveyance Design and Construction Authority
Board of Directors

Subject: ***Final Meeting Materials for the June 20, 2024 Regular Board Meeting***

Members of the Board:

The Delta Conveyance Design and Construction Authority (DCA) Board of Directors will have a Regular Board Meeting, scheduled for **Thursday, June 20, 2024 at 1:30 p.m.** and will be a **hybrid** meeting. The Board will meet in closed session and anticipate opening the Regular Session at approximately **2:00 p.m.** Members of the public may attend the meeting in person or virtually. The call-in and video information, as well as meeting location is provided in the attached agenda. Meeting information will also be posted on the dcdca.org website.

Please note that the DCA continues to follow current State and Local COVID-19 guidelines and will comply with public health recommendations regarding public meetings and social distancing efforts. Any meeting changes or cancellation will be communicated.

Enclosed are the Final materials for the Board meeting in a PDF file, which has been bookmarked for your convenience.

Regards,

A handwritten signature in blue ink that reads "Graham C. Bradner". The signature is fluid and cursive, written in a professional style.

Graham Bradner
DCA Executive Director



**DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY
BOARD OF DIRECTORS MEETING**

REGULAR MEETING

Thursday, June 20th, 2024
1:30 p.m.
Hybrid (Teleconference) Meeting

DCDCA Boardroom
980 9th Street, Suite 100
Sacramento, CA 95814

TELECONFERENCE LOCATIONS:

- 1) Valley Water, 5700 Almaden Expressway, Headquarters Boardroom, San Jose, CA 95123
- 2) Long Beach Groundwater Treatment Plant, 2950 Redondo Avenue, Long Beach, Ca 90806
- 3) Mojave Water Agency, 13846 Conference Center Drive, Apple Valley, CA 92307

CONFERENCE ACCESS INFORMATION:

Phone Number: (669) 444-9171 Access Code: 89711093045#

Virtual Meeting Link: <https://dcdca-org.zoom.us/j/89711093045?from=addon>

Please join the meeting from your computer, tablet, or smartphone.

Additional information about participating by telephone or via the remote meeting solution is available here: <https://www.dcdca.org>

AGENDA

Except as permitted by Government Code section 54953(f), Directors will attend the meeting from the DCDCA Boardroom or any of the teleconference locations. Members of the public may attend in person at these locations or remotely through the virtual meeting link above. Assistance to those wishing to participate in the meeting in person or remotely will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested person must request the accommodation as soon as possible in advance of the meeting by contacting the DCA support staff at (888) 853-8486 or info@dcdca.org. Members of the public may speak regarding items on the agenda during those items and when recognized by the Chair. Speakers are limited to three minutes each; however, the Chair may limit this time when reasonable based on the circumstances. Persons wishing to provide public comment remotely on Agenda Items are encouraged to complete a public comment request form at: <https://tinyurl.com/dcapubliccomment> by 2:15 pm or through the QR code below. In addition, members of the public may use the "raise hand" function (*9 if participating by telephone only) during the meeting to request the opportunity to speak. Additional information will be provided at the commencement of the meeting.

1. **CALL TO ORDER**
2. **ROLL CALL** – Any private remote meeting attendance will be noticed or approved at this time.
3. **CLOSED SESSION**
 - (a) **CONFERENCE WITH LEGAL COUNSEL**

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

 - i. *Tulare Lake Basin Water Storage District v. DWR*, Sacramento Superior Court, Case No. 24WM000006 (and related cases Nos. 24WM000008, 09, 10, 11, 12, 14, 17, 62, 76)
4. **OPEN REGULAR MEETING & PLEDGE OF ALLEGIANCE** – At approximately 2:00p.m.
5. **APPROVAL OF MINUTES**
 - (a) May 16, 2024 Regular Meeting Minutes
 - (b) May 16, 2024 Special Meeting Minutes
6. **DISCUSSION ITEMS**
 - (a) June Monthly Board Report
Recommended Action: Information Only.
 - (b) Proposed Final FY 24/25 Budget
Recommended Action: Adopt by motion order the final budget for FY 2024/25.
 - (c) Adopt Resolution Approving the Investment Policy
Recommended Action: Adopt Resolution.
 - (d) DCA Board of Directors Officers Update
Recommended Action: Information Only.
 - (e) DCA Board of Directors Meeting Cadence
Recommended Action: Information Only.
7. **SPECIAL ITEM**

- (a) Adoption of Resolution Commending and Thanking Sarah Palmer for Her Service on the Board.

8. REPORTS AND ANNOUNCEMENTS

- (a) General Counsel’s Report
- (b) Treasurer’s Report
- (c) DCP Communications Report
- (d) DWR Environmental Manager’s Report
- (e) Verbal Reports, if any

9. FUTURE AGENDA ITEMS

10. PUBLIC COMMENT

Members of the public may address the Authority on matters that are within the Authority’s jurisdiction but not on the agenda at this time. Speakers are generally limited to three minutes each; however, the Chair may further limit this time when reasonable based on the circumstances. Persons wishing to speak may do so remotely through the electronic meeting link, by scanning the QR Code, or teleconference number when recognized by the Chair. The DCA encourages public comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the DCA or are within its jurisdiction.



11. ADJOURNMENT

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The Board of Directors meet bi-monthly, proposed next scheduled meetings:

August 15, 2024, Regular Board Meeting at 2:00 p.m. (1:30 p.m. if there is a closed session).

October 17, 2024, Regular Board Meeting at 2:00 p.m. (1:30 p.m. if there is a closed session).

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>

BOARD OF DIRECTORS MEETING

MINUTES

SPECIAL MEETING

Thursday, May 16, 2024

2:00 p.m.

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER

The special meeting of the Delta Conveyance Design and Construction Authority (DCA) Board of Directors was called to order remotely - Conference Access Information: Phone Number: (669) 444-9171, Code: 89139961292#, <https://dcdca-org.zoom.us/j/89139961292?from=addon> at 2:00 p.m.

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 and Josh Nelson.

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

3. DISCUSSION ITEMS:

a) **Presentation on the Cost Estimate/Benefit Cost Analysis.**

Information Only

DWR Environmental Manager, Carrie Buckman presented to the Board Dr. David Sunding, who is the emeritus Thomas J. Graff Professor at the University of California, Berkeley, where he teaches law and economics, industrial organization, and environmental economics in the College of Natural Resources and the School of Law. He is also a consultant at the Berkely Research Group, which is a consulting firm contracted by DWR to complete the benefit cost analysis of the Delta Conveyance Project (DCP).

Mr. Bradner stated that all information included in this presentation is available on the DCA website. Related to the benefit cost analysis, all information will be shared on the DWR website.

Mr. Bradner stated to the Board that he would be presenting the estimating scope and methodology, cost estimate update for 2023, the secondary cost estimate which will provide insight into how the project can evolve through value engineering, next steps, and roll into Dr. Sunding's presentation on the benefits cost analysis.

Mr. Bradner stated that in 2020 DCA issued a cost assessment for a central alignment project costing \$15.9B. Now that DWR has selected the Bethany Alignment project. The cost has been updated using improved engineering information and with inflation from 2020 until now it helps to view the economic analysis better. The report helps DCA identify areas of potential cost management, prepare DCA with consistent dollar basis and see where most of the costs are allocated. The report has been prepared with 2023 real dollar evaluations and will require future evaluation of the project costs. DCA has various ways to improve and manage the costs for the DCP.

Mr. Bradner continued to state that DCA estimated the Bethany Reservoir Alignment at a 6,000 cubic foot per second project. Much of the project is defined on the availability of subsurface information. The cost estimating report has a checklist that goes through the design maturity and aspects of the project in evaluating the level of maturity. Mr. Bradner stated that the cost estimating report is 10% of design and the other two areas are the construction costs which has the infrastructure with contingencies and the other part is the program costs which include the labor associated with design management oversight and land acquisition mitigation projects. In addition, there is power, the settlement agreement for Contra Costa Water District, the community benefits program and other contingency within other program costs.

The methodology that is being considered is the schedule, equipment, and labor. Mr. Bradner stated that in 2020, several aspects of the project were not available to evaluate compared to the information that is available now. DCA has been able to develop the estimate from the ground up and has allowed for clear aspects of performing work for the 2023 real price. DCA can compare the 2020 estimate to the 2023 estimate and evaluate the program costs. There are contingency and risk treatment costs included. Mr. Bradner stated that DCA has assumed design, bid and build procurement to maintain conservative estimates.

Mr. Bradner continued with the schedule created for the economics team to describe the permits, procurements, design, construction and startup activities. DCA is working to ensure that all project activities are in order and ready for construction. The tunnel excavation will not begin for a few years after what is shown on the schedule. The tunnel boring machine will take time to be built, be running and will not be actively in construction until 2034. Mr. Bradner stated that the peak of the project expenditures will occur during 2036-to-2037-time frame, which will be four tunnel reaches running concurrently and the pumping plant, intakes and aqueduct. The construction aspect of the project will start to slow down by 2042, with the system startup and commissioning being completed by 2044 and the system ready for operation in 2045.

Mr. Bradner stated to the Board that according to the Association of Advancement of Cost Engineering, the DCP is considered a class four with class five aspects. The tunnel alignment is the area with the most limited information. The project will have various components at various stages throughout construction. On the estimate classification, the blue and yellow line represent the costs associated with the project and the yellow is considered the most accurate. DCA has completed many engineering analyses but there is the uncertainty of the ground conditions. For the estimate, DCA has used deterministic approaches with actual material price quotes that have been obtained from different material providers.

Mr. Bradner presented to the Board the 2023 Cost Estimate update that totaled out to be \$20.12B. Three quarters of the cost is associated with construction with a 30% contingency associated with those elements. The other program costs include the labor, land acquisition, mitigation program, power, settlement agreements and community benefits which make up the other 25% of the total estimate. DCA investigated the construction costs related to the labor and soft cost aspects of the estimate compared to the previous estimate where DCA viewed the high-level costs and then worked down to the soft costs. Mr. Bradner stated that the community benefits program has a funding amount of \$200M and mitigation identified in the environmental impact report a total of \$960M.

Mr. Bradner continued to present to the Board that the DCA used heavy bid software to allow for estimates on construction methods and schedule of activities. This will allow the estimate to align with the master program schedule. Prevailing wages, equipment material quotes, sales tax, markups and profit insurance are included in the estimate. DCA has identified risk treatment costs to identify potential risks within the program. There is also construction contingency included to account for uncertain items or conditions not currently identified in the estimate. Mr. Bradner stated that risk uncertainty is dealt with risk treatment directly included and contingency applied as a 30% multiplier. DCA's design team and program management team had a 13% cost differential, with the reconciliation process it was brought down and eventually the cost difference came out to 1.91%. DCA was able to settle on a 30% construction contingency, this was established based on a partnership with the estimating and engineering team. A 10% level of design would be assigned to the overall design development maturity. DCA performed a semi-quantitative risk analysis to develop the dollar value of risk remaining within the project. This was used to determine a level of contingency and professional judgement.

Mr. Bradner continued to present to the Board that the contingency will decrease as the engineering work advances. The costs will transfer from the contingency bucket directly to the estimated aspects of the project. The contingency included in the 2020 estimate had a 38% rate and was more of a judgement exercise. Mr. Bradner stated that the table shown demonstrates that DCA used a 30% contingency related to anywhere that had

construction related aspects of the project. DCA also wanted to include a 30% contingency on land acquisition costs and 15% on labor costs.

Mr. Bradner presented to the Board the 2020 and 2023 cost assessment. The tables show 2023 has an estimate of \$20.12B while 2020 has an estimate of \$15.9B. The table is not entirely the exact same for both years, but DCA has tried their best to allocate items properly and provide a reasonable comparison. Mr. Bradner stated that according to the US Bureau of Reclamation construction costs, there has been an inflation increase of 26.8% from 2020 through the third quarter of 2023. In the 2020 estimate the construction cost was \$12.1B and the labor was 25.5% cost. DCA now has a refined cost estimate.

Mr. Bradner continued with the secondary estimate of cost-reducing innovations. The work provided to DWR for the Environmental Impact Report (EIR) analysis and the work documented in the engineering project represents a conservative configuration. DCA understands that there are several innovations that represent opportunities to reduce impacts, cost schedule or risks. The opportunities help communicate and further understand where the project may head towards, continued value engineering and continued data collection. DCA has developed 19 innovations for inclusion in the secondary cost estimate and do not represent changes to the project description. The project description will need to be analyzed by DWR with respect to any permit and the California Environmental Quality Act (CEQA) application that would be relevant.

Mr. Bradner presented to the Board the innovative example of the Bethany Reservoir pumping plant. The innovation would reduce construction quantities, shorten construction by 980 days and there would be no changes to the above ground site configuration or surface features. Mr. Bradner stated that this would be working more efficiently and smarter within the identified footprint. In addition, this innovation would reduce the construction cost by \$140M, not including the soft costs, other risks and other aspects of the project. DCA has various categories of intakes, tunnels, shafts, pumping plants, surge basing and aqueduct discharge structure logistics. The potential construction cost savings in column one is the direct reduction in construction costs by about \$750M. Then there is the potential risk treatment cost saving of \$24M and adding both totals out to \$773M in project costs innovations using the same 30% contingency. DCA was focused on the direct construction cost contingency and labor cost associated with the innovations and in doing so this created a reduction in the project by \$1.23B. This is roughly six percent (6%) of the total cost not including re-evaluation of risk and potential contingency changes.

Mr. Bradner stated that the next steps would be to analyze the economic feasibility of the DCP through benefit-cost analysis and agency-specific local economic studies. Continue development of design, construction, contracting innovations to refine project definition and constructability. Lastly to support DWR's evaluation, including CEQA, select innovations for changes to the approved project.

Dr. Sunding presented to the Board the DCP Benefit-Cost Analysis report. With the help of his co-author, Oliver Browne, Ph.D. They had been working on this report for the last 18 months with the help of their staff, looking at various aspects of the project and what it means in terms of water management across California. Dr. Sunding stated that if the State Water Project (SWP) were its own country, it would be considered the eighth (8) largest economy in the world. Just behind the United Kingdom and France, but larger than Italy, Canada and Brazil. Dr. Sunding stated that the SWP delivers about 2.56M acre feet per year with an average of all types of water years. Dr. Sunding focused on two categories of benefits which are the ability of the DCP to mitigate the expected effects of climate change and secondly look at the ability of the DCP to improve conditions following seismic events. Dr. Sunding stated that he took the input of the analysis done by DCA that Graham presented, which is \$20.1B in undiscounted 2023 dollars. Dr. Sunding stated that the increase of the \$4B is due to inflation from 2020 to 2023. At this time, the inflation increase comes in second compared to the actual benefit of the project. Dr. Sunding stated that the benefit cost analysis assesses the cost to invest in an intervention like the DCP and what the benefits will be of the outcome.

Dr. Sunding continued to present to the Board what a cost benefit analysis does and the cost of an intervention such as the DCP. On the cost side the intent was to be as comprehensive as possible and account for both cash and non-cash outlays. The cash outlays used the DCA cost estimate for construction costs and added the O&M cost going throughout the study period. Mr. Sunding included the costs for environmental mitigation of approximately \$1B and included \$200M for the community benefits program. The non-cash outlays included local impacts in the Delta during the construction period, increased traffic congestion, lowered air quality and noise impacts. These are economic costs that are not a cash outlay, but they are real impacts to certain people. Over time a cost that was looked at was the changes in salinity in the Delta that might impact Farmers due to DCP operations.

Dr. Sunding stated that the project has a benefit cost ratio of around 2.2 to 1. For every dollar spent there is \$2.20 in benefits that are enjoyed by the SWP customers, businesses, farmers and residential customers throughout the SWP service area. Dr. Sunding stated that in the primary scenario in the economic study that was looked at in 2070 for hydrology, the future climate conditions are projected to exist once the project begins operating. 403K acre feet are being protected due to the DCP being implemented. Dr. Sunding stated that they use a discount rate of 2%- 1.4%, this is used due to the cost being expanded first and the benefits start once the project begins operating. Dr. Sunding followed federal guidance that was issued by the Office of Management and Budget that sets the ground ruled for Federal Economic Analysis of Infrastructure projects. Dr. Sunding stated they followed federal guidelines as to how to discount future benefits and costs. This is assuming a 15-year construction period and looking at the benefits and costs over a 100-year operating life of the project. Dr. Sunding stated that the first thing they looked at was the climate mitigation benefit on the SWP, more SWP deliveries and more so what would happen without the project. This allows agencies to fill storages more frequently

and enter droughts with more water in reserve. This will produce fewer periods of mandatory rationing for urban agencies and less severe rationing whenever it occurs, creating an economic value to residences and to businesses in the agricultural sector. Dr. Sunding stated to the Board that they measured the change in profitability of agriculture with and without the DCP. There were two approaches used to measure. The first approach used was an employed economic planning model called Statewide Agricultural Production Model (SWAP), this is used for many things in California and look at water market transaction data to get an idea of what Farmers are willing to pay for extra water supplies in different hydrologic years. Dr. Sunding presented to the Board a graph of the SWP deliveries and summarizes what they are assuming about the ability of the DCP to mitigate climate effects. The 2020 hydrology which is similar to today's measurements with the current SWP delivers on average about 2.56M acre feet. By 2070 without the DCP, SWP water deliveries would drop to 1.9M acre feet due to climate change and sea level rise. On the same graph by 2070 with the DCP and climate conditions the levels would slightly drop to 2.3M acre feet allowing the stabilization of water supplies in the face of climate change and sea level rise. The DCP also impacts water quality due to it diverting frequently from the North Delta that has less salinity. Salinity impacts both urban and agricultural customers. In the urban sector, less salinity reduces treatment costs, improves taste and extends the life of household appliances. In the agricultural sector, less salinity reduces the cost of water softening and improves the efficiency of water use while reducing the amount of water needed to flush salt out of the root zone called leaching fraction.

Dr. Sunding continued to present to the Board the seismic benefits. Dr. Sunding used the Delta Flood Emergency Management Plan that has a planning scenario (scenario 1) that envisions a 500-year earthquake event, a 1 in 500-year event. This type of event would result in 50 levy breaches and 20 islands flooded. In the study, Dr. Sunding mentioned the outcome of a seismic event with the DCP and without the DCP. Without the DCP, the Flood Emergency Management plan envisions a Delta export disruption averaging around 203 days of no water from the SWP followed by a period of 340 days with reduced quality water that is high in salinity even with the salt being flushed from the system following an earthquake. Dr. Sunding stated that with the project, the DCP would operate for the full duration as usual and could eliminate the effects of an earthquake. There also is a scenario where the benefits are limited to deliveries at the minimum public health and safety guidelines. Dr. Sunding stated that they receive questions regarding alternative water supplies and how there is a gap between supply and demand and how a value is being put. Dr. Sunding stated that there are alternatives to DCP, but they are more expensive. The DCP is about \$1,325 per acre foot, which is less than half of the cost of desalination, half the cost of recycling and less than storm water. Dr. Sunding stated that they were assuming water conservation in the demand project that was used to calculate economic benefits.

Dr. Sunding stated that in conclusion, the main scenario that is being viewed is for 2070 climate conditions with 1.8 feet of sea level rise benefits outweigh costs by a ratio of about

2.2 to 1. The team viewed various scenarios and for the year 2070, as the sea level rises to various levels the benefit cost ratio increases. The higher the sea level rises, the higher the benefit cost ratio increases due to more water being preserved if the DCP was functioning. Dr Sunding stated that they evaluated the economics of the project under the hydrologic and climate conditions that would attain when the project would begin operations. They did not look at other deterioration in climate beyond the day the DCP starts operating.

Dr. Sunding stated that the current concept of the DCP and Public Water Agencies (PWA) is that they can transfer excess supplies and relieve themselves of associated costs. There could be reallocation of costs and benefits that provide flexibility to agencies.

Dr. Sunding presented to the Board the nonmonetary costs and the impacts experiences in the Delta as a result of the construction of the DCP. Dr. Sunding and his team reviewed the categories of impacts that were identified in the EIR and narrowed down the impacts that would not be fully mitigated impacts. This includes local air quality, noise and traffic congestion. As soon as a monetary value is added to the impacts, the Federal Department of Transportation has a standard method for valuing traffic congestion. The local monetary value has a local nuisance of about \$167M which is minor compared to the overall cost and statewide benefit of the project. Dr. Sunding stated that \$167M is less than the size of the community benefits fund and was not included in the cost of the community benefit funds. Dr. Sunding stated that if the DCP was operational this year, it could have added 999K acre feet to the SWP deliveries. That is equivalent to the water held in Folsom Lake. Dr. Sunding stated that they did not include the community benefit program in the benefit cost analysis, but it still provides benefits including adding 5,000 high-paying jobs in the Delta. As a policy matter stabilizing surface supplies how the DCP does, it is consistent with the state's long-term objective of stabilizing groundwater resources. If the state loses 570k acre feet with the current state water project system, that will create an incentive for both agriculture and urban customers to rely on ground water. This will defeat the purpose of sigma and other policies aimed at stabilizing groundwater resources.

Dr. Sunding stated that the conclusion on the inaction cost of not doing the DCP is significantly larger than the cost of investing in the project.

Director Anabtawi stated if Mr. Bradner had a perspective on the improvements left for the local communities.

Mr. Bradner stated that those are considered integrated benefits and allow communities to decide whether to keep improvements or remove them once the project is complete. Mr. Bradner stated that more work would be done through ideas and opportunities to make minor adjustments to the community benefits program.

Director Anabtawi stated that Mr. Bradner has not evaluated schedule impacts and if Mr. Bradner could give his opinion in terms of the magnitude of the cost savings with a good schedule impact.

Mr. Bradner stated that with inflation the yearly cost increase is \$630M. The ability to condense the schedule, start construction sooner, work more efficiently and get the project built into operation. The benefits would start accruing quickly.

Director Anabtawi stated if Dr. Sunding could speak of an opportunity to supply and develop in certain geographical regions.

Dr. Sunding stated that there are technical limits and other political limits on the development of alternatives at this scale. Dr. Sunding stated that it is unlikely that desalination, storm water capture or a recycled water project of the same magnitude as the DCP would occur due to the amount of water replacement that is needed.

Director Martin wanted to confirm that the DCP project would not provide the entire 570K acre feet per year.

Dr. Sunding stated that the project is not about increasing Water Supplies, but to maintain as much as possible of what there currently is.

Director Martin stated if the seismic disruption of days had a dollar amount.

Dr. Sunding stated that it was incorporated in the benefit estimation. There is a total of \$38B in benefits that are measured in the result of the DCP over the 100-year operating life. The seismic benefits are rolled into the climate mitigation benefits. The seismic benefits are the largest components of the benefits by good measure. The range of outcomes following an earthquake during a drought with limited water in reservoirs would have negative outcomes.

Director Martin stated that if this is considered a loss of economic activity or having to go out and find the replacement for water.

Dr. Sunding stated that it's lost economic activity to the extent that businesses experience shortage but then also it is a loss to residences economic value, it's water that they would like to purchase that they can't. There are all kinds of inconvenience that results from that and expense like Landscaping and limited water use inside the home.

Director Milobar stated that he would like clarification on how it impacts the farmers that produce to California and the rest of the nation. The farmers are not the end users of water, the end users are the consumers.

Dr. Sunding stated that the way they look at impacts on agriculture and how the DCP will impact them versus not having the project. The value of the incremental supplies that are going to farmers and the way they measure that is by modeling what farmers would be willing to pay to get those acre feet back. Many changes are occurring in the San Joaquin Valley as a result of Sigma and other reductions in surface deliveries. Dr. Sunding did a study a few years back of a projection that one in five acres resulting in around a million acres in the San Joaquin Valley would come out of production due to sigma and reduced surface water deliveries.

Director Cheng stated that he wanted Mr. Bradner to confirm his statement of having a 26% increase over a three-year period resulting in a cost increase of 6% per year.

Mr. Bradner confirmed Director Cheng's statement was correct and the ability to use the 2020 cost estimate assisted in having an accurate report. The cost estimate for 2020 to the new cost estimate of 2023 is similar with additional changes, inflation, the community benefits program and other aspects of the project with higher costs associated with mitigation.

Director Cheng stated that it is great that Mr. Bradner and Dr Sunding were able to contain the costs for the framework. Director Cheng stated how great the ratio of \$2.20 benefit for every \$1 investment for the DCP and asked how Dr. Sunding calculates future inflation or future cost increases for the current benefit cost analysis.

Dr. Sunding stated that they did not do any additional cost estimate beyond what DCA has already done. Dr. Sunding obtained Mr. Bradner's modeling and used that input. In an economic analysis like the benefit cost analysis, Dr. Sunding took a different perspective on cost. Just like there is a discount benefit, there is also a discount cost and that will take account the future inflation but also the time value of money. The real discount rate is between two percent and one point four percent and many of the cost estimates that were obtained from Mr. Bradner contain contingencies in various cost components. Dr. Sunding stated that with the percentage rate of the project being over two percent, this increases the confidence of the investment of the DCP.

Director Luna stated that he appreciates the thorough presentation.

President Palmer stated what is being done regarding the maintenance cost.

Mr. Bradner stated that this would be added to the unaccounted for. In terms of the potential innovations, DCA did work with DWR to develop the operations and maintenance cost. Included was the equipment refurbishing and replacement cycles, periodic work that would be done at the intake site and tunnel. There is an intense focus to really understand the potential benefits and assists with the value of engineering. DCA is focused on the construction costs which can re-evaluate quantities and apply those contingencies and proportions of the labor associated.

President Palmer stated that as water becomes inaccessible for farmers, there becomes a displacement of workers, people, jeopardizes public health and the destruction of communities. President Palmer also stated if Mr. Bradner could expound on the cost being flat.

Mr. Bradner stated the cost being flat would be if the inflation were removed from the estimate.

Dr. Sunding stated to the Board that inflation has increased the cost since the year 2020, but it has also driven up the benefits. This includes household income and project level of benefits.

President Palmer stated if this also brings the idea of the co-equal goals of the water delivery and the environmental issues.

Ms. Buckman stated that the purpose of the project is to try to address and adapt to climate change. The economic analysis that Dr. Sunding talked about was to look at the economic value of reducing shortages and comparing that to the minor unmitigated environmental costs.

DCA Chief of Staff, Claudia Rodrigez stated that she would distribute to the Board the public comment email.

Public comment Tasia Kieffer stated that she was there on behalf of the Los Angeles County Business Federation, and they are supporting the project to move forward. The DCP will modernize the current SWP, and the cost benefit analysis is creating thousands of jobs and businesses will have dependable water.

Public comment from the board room, Ryan Nance, Thanked the DCP for the efforts being made. There has been long suffering from the diminishing reliability of clean and usable water. The DCP offers solutions to this unsustainable decline of one of the most precious basic resources. The physical infrastructure of this project would aid in bearing fruit for Central Valley residents, the jobs that are created from this kind of project offer access to apprenticeship training and mentoring opportunities through the trades that would perform that construction work. Residents have waited for positive impacts like the DCP and all that it brings to California communities. Mr. Nance is excited about the DCP and looks forward to seeing it through the completion.

Public comment from the board room, Robert Kunde, stated if the 26% contingency was applied to each of the construction categories.

Mr. Bradner stated that 26% was used to escalate the number to give the team a reasonable comparison from 2020 to 2023. Contingency was assigned to the updated

estimate at 30% for construction costs, 15% for soft cost labor and there were a few whole hard numbers added into the estimate with zero.

Mr. Kunde stated that the general concern of the district and the farmers is the magnitude of the costs and the challenge of understanding those changing the environment for food and marketing in the future.

Public comment, Cheryl Branch from the Los Angeles Metropolitan Churches, stated that the DCP is a crucial benefit to the underserved communities and is focused on California's water safety. The communities heavily rely on the Delta and the DCP is vital to their communities to continue to have access to affordable water. Desalination and storm water capture is important to their communities but are not as affordable as the Delta water. Ms. Branch looks forward to seeing the DCP come to fruition.

Public comment, Marci Stanage from Rebuild SoCal Partnership stated that the benefit cost analysis is a reminder that the infrastructure needs improvements. The SWP delivers water to more than 27M people. Climate continues to change and found that the declining in investment in drinking water has led to more waste and complete system failures. As seen in the past winter, the current system is not prepared to move and ship water when it is abundant and able to be saved for droughts. Ms. Stanage stated that it is time to move forward with the DCP.

Public comment, George Boutros from Orange County's Diverse Business Community (OCBC) stated that Orange County businesses and residents rely heavily on the state water project for much of the total water supply. OCBC supports accelerated development security of a secure and reliable alternative conveyance system in the Delta that will significantly improve water supply reliability and water quality.

Public comment, Cedric Farmer from the Los Angeles Metropolitan Churches stated that people do not miss their water until their well runs dry. The cost of doing nothing is staggering and communities rely heavily on water from the SWP. The threat of an earthquake could cause water deliveries to be stopped for a year or more is really terrifying and would be an economic and humanitarian disaster. Additional security that the DCP provides is amazing and improving the reliability of the SWP and guarding against seismic risk, makes the project an easy decision. Mr. Farmer is looking forward to the project moving forward.

Public comment, Kyle Griffith from the California's for Water Security stated that the benefit cost analysis is impressive work and appreciates Dr. Sunding and the DCA for putting it together. Mr. Griffith would like to ensure that the DCP will handle water distribution, handle rising sea levels and lost water supplies due to climate change. This project is crucial, and the Coalition is ready to support the PWAs.

Public comment, Dahlia Fonseca from the California State Council of Laborers has been a supporter of the DCP and the goal of helping meet California's long-term water supply needs. The DCP will help modernize the delivery of the state water infrastructure and create jobs. Ms. Fonseca is ready to help move the project forward.

Public comment, Jason Pearce from NorCal Carpenters Union stated that he is pleased to hear the benefits cost analysis for the DCP. The billions of dollars that the project will provide, and the state water reliability is critical. The SWP needs modernization and is looking forward to moving this project forward.

Public comment, Osha Meserve represented Local Agencies of the North Delta and local entities including wildlife groups and individuals. Ms. Meserve stated that the benefit cost analysis overestimates the benefits and underestimates the costs associated mostly with Delta communities and local areas. It is discouraging to hear the benefits of agriculture outside of the Delta while ignoring the agriculture within the Delta. Ms. Meserve stated that the estimates in the EIR are incorrect due to the EIR's inadequate information and fails to disclose the impacts on the environment. The community benefits program was not meant to mitigate impacts and is inconsistent in trying to understand the purpose of the community benefits program. Ms. Meserve stated that the benefits to rate payers and taxpayers within the service area of the SWP is not the entire state only part of the state. Ms. Meserve stated that earthquake risk is not the best available science. Improvements to the Delta levees have made it to withstand outages for a few days and not hundreds of days as stated due to fresh water coming in every winter, but very unlikely for a major earthquake to happen due to the Delta not being on any major fault lines. Ms. Meserve stated that communities should not be crushed, and community's resources should not be taken by others, this is not the world that should be created for communities and children.

Public comment, Gabriel Cervantes from the American Council of Engineering Companies of California stated that they are part of the statewide coalition in support of the DCP.

Public comment, Ed Sanders from Groundwell for Water and Housing Justice stated that they are aimed at ensuring that marginalized communities throughout the state have a voice in the water policy debate. There are a million Californians that do not have access to clean drinking water, while there are about 390 water systems that are considered failing and unable to deliver water to their residents. Mr. Sanders stated that water is life and is needed for cooking and to live. There are many communities that do not have access to water. Climate change continues to whipsaw water supplies with drought light conditions one year and atmospheric Rivers the next year. The DCP is needed to ensure water management and can guarantee communities water as one in forty people currently do not have access to clean water.

Public comment, Victor Reyes from Valley Industry Commerce Association stated that the DCP will supply to home and businesses in various residents in San Fernando Valley.

Modernizing the SWP will prepare for seismic threats and impacts for climate change. The DCP is a sound investment and look forward to working with DCP and making sure that this project moves forward.

Public comment, Charley Wilson appreciates Dr. Sunding's work. The study articulates the value proposition of modernizing the state's water delivery system. Southern California is conserving water by using storm water, recycled water, but eventually everything will be blended together, and the cost will be much greater.

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

4. ADJOURNMENT:

President Palmer adjourned the meeting at 4:45 p.m., remotely - Conference Access Information:
Phone Number: (669) 444-9171, Code: 89139961292#, <https://dcdca-org.zoom.us/j/89139961292?from=addon>

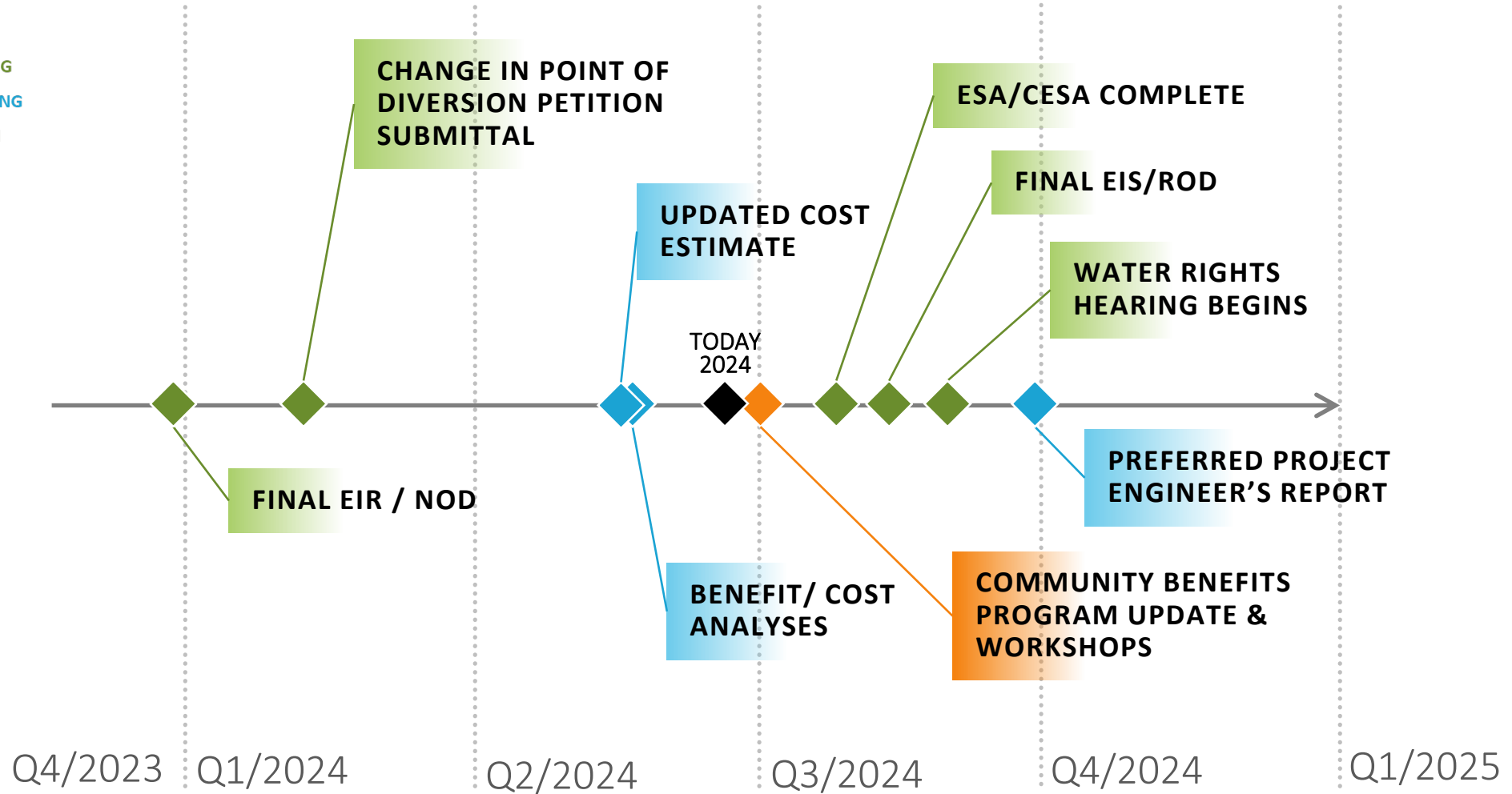
DCP 2024 Milestones

KEY

PERMITTING

ENGINEERING

OUTREACH





DCA

DELTA CONVEYANCE DESIGN
& CONSTRUCTION AUTHORITY

Monthly Board Report

This document is fully interactive; use menus to navigate on-screen.

1

SUMMARY OF
WORK

2

COMMUNITY
ENGAGEMENT

3

BUDGET

4

CONTRACTS

5

SCHEDULE



Agenda Item 6a

JUNE 2024

(ACTIVITIES IN MAY)

Section 1 | Work Performed (May 2024 Activities)

Program Management. The team continued program-wide support activities, including Program Controls, Health & Safety, Quality, and Sustainability.

- Continued processing invoices for FY23/24.
- Support vendors with invoice submission and contract amendment requests.
- Support contract managers with financial forecasting and cashflow projections.
- Continued development of master programmatic schedule.
- Continued development and implementation of SOPs/Management Plans.
- Continued development of sustainability strategy.
- Continued quality and health & safety audits.
- Continued program-wide process optimization evaluation.
- Continued budget planning for FY24/25.
- Continued work on FY24/25 Procurement Strategy development.
- Begin development on Task Orders and Purchase Orders for FY24/25.

Administration. The Administrative team continued to support functions including IT support, in-person and virtual meetings and social media content/updates.

- Supported DCA Board of Directors and coordination of DCA events including preparation for remote Director participation for Board and Committee meetings per Brown Act requirements.
- Coordination of DCA Change Board meetings/actions.
- Activities supporting the development and training for SOPs/Management Plans.
- Planning for Spring/Summer 2024 DCA alignment tours.

- FY24/25 Contract Management activities including Task Order/Purchase Order development.
- Planning activities to improve audio and display in the DCA Board Room.
- Conducted interviews for DCA summer internship program.
- DCA Learning Management System implementation.

Engineering. The engineering team primarily focused on supporting the Department of Water Resources (DWR) Delta Conveyance Office (DCO) permitting efforts while also continuing to develop and progress engineering studies.

- Supported public release of updated total program cost documentation associated with the Bethany Reservoir Alternative.
- Continued responding to requests for information (RFIs) from DCO environmental team regarding permit applications.
- Continued evaluation of potential design innovations which could reduce program cost, schedule, or risk.
- Continued work on the Project Engineering Report for the Bethany Reservoir Alignment.
- Continued development of Project Definition Report outlines.
- Continued to support communications and outreach efforts, including participation in meetings and development of new and revised outreach materials such as graphics and tour visualizations.
- Provided support to ongoing field investigations and continued review of existing subsurface information.
- Continued support of DCA programmatic planning activities.



Field Work. The field work team continued efforts to plan and conduct geotechnical and environmental investigations for evaluation of subsurface conditions and validation of parameters assumed during conceptual design.

- Began Spring 2024 investigation program.
- Continued to provide weekly 2-week look-ahead map for planned and ongoing geotechnical investigations, as well as 4-week look-ahead list.
- Continued site clearances and field adjustments for Spring 2024 investigation program, as necessary.
- Continued coordination with right-of-way agents to process signed Temporary Entry Permit paperwork for 2024 investigations and assist DCO with Court Ordered Entry (COE).
- Continued to evaluate soil samples for reusable tunnel material (RTM) study, including coordination with engineering team on mix ratios and test types.
- Rolled out the 2024 Fieldwork training refresher.

Section 1 | One Month Look-Ahead (June 2024 Activities)

Program Management

- Continue processing invoices for FY23/24.
- Continue development and processing of Task Orders, Task Order Amendments and Purchase Orders for FY23/24.
- Support vendors with invoice submission and contract amendment requests.
- Continue implementation and training of SOPs/Management Plans.
- Support contract managers with financial forecasting and cashflow projections.
- Continue development of master programmatic schedule.
- Continue quality, health & safety, and sustainability efforts
- Continue work on FY24/25 Procurement Strategy development.
- Continue budget planning for FY24/25.
- Continue development on Task Orders and Purchase Orders for FY24/25.

Administration

- Continue support to DCA office including all Administrative, Facility and IT functions.
- Continue support for DCA Board of Directors meetings and monthly report generation.
- Continue coordination of DCA Change Control Board meetings/actions.
- Continue support for stakeholder engagement and outreach efforts.
- Continue to manage and coordinate content for Social Media outlets.
- Continue support for the Organization Growth Implementation Plan.
- Ongoing FY23/24 contract management activities.
- Planning for 2024 DCA alignment tours.
- Continue implementation of DCA Learning Management System including course creation.
- Project Management activities to improve audio and display in the DCA Board.

Engineering

- Continue responding to RFIs from the DCO environmental team to support permitting efforts.
- Continue communication of updated total program costs associated with the Bethany Reservoir Alternative.
- Continue engineering studies to evaluate conceptual design assumptions and consider refinements that could reduce construction effects.
- Continue work on Project Engineering Report and initial Project Definition Report outlines.
- Continue supporting DCA programmatic planning activities and DCO potential community benefits projects.
- Continue reviewing existing subsurface information and providing engineering support to ongoing field investigations.

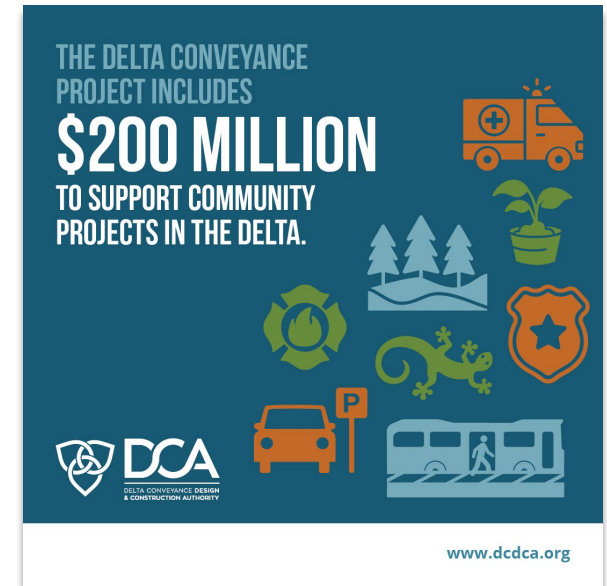
Field Work

- Complete Spring 2024 investigation program.
- Continue planning for Summer 2024 investigation program.
- Coordinate with right-of-way agents to process signed TEP paperwork for 2024 investigations and support Court Ordered Entry.
- Continue evaluating soil samples for RTM study; coordinate with engineering team on mix ratios and test types.
- Provide weekly 2-week look-ahead map for planned and ongoing geotechnical investigations, as well as 4-week look-ahead list.

Section 2 | Community Engagement

Highlights

- Exhibited the DCP Information booth at the Spring 2024 ACWA Conference in Sacramento.
- Drafted and sent quarterly update to PWAs and partner organizations.
- Revamped social media messaging and images to better communicate project information to the public.
- Supported a Spanish-speaking Delta tour with the Metropolitan Water District.



We're Connecting Everywhere!

SOCIAL MEDIA:

Total impressions: 168,549
Video Plays: 76,549

WEBSITE VIEWS:

Cost Estimate News: 1,819
Overview Page: 721



Section 3 | Budget

Budget. The FY23/24 DCA revised approved budget is \$40.44M (Table 1). Our Estimate at Complete continues to be below the approved budget. Our projection is currently forecasting an Estimate at Completion budget of \$33.1M (Table 1). The DCA has committed \$37.0M and has incurred \$26.7M in expenditures through the end of May (details in Tables 2 and 3). Actual and planned cash flow curves are shown in Figure 1.

Table 1 | Monthly Budget Summary (FY 23/24)

	Original Budget	Current Budget	Current Commitments	Incurred to Date	EAC	Variance (Surplus)/Deficit
Program Management Office						
Executive Office	\$ 5,382,983	\$ 5,232,983	\$ 3,037,317	\$ 1,927,396	\$ 2,475,102	\$ (2,757,881)
Community Engagement	1,263,072	1,263,072	1,176,096	839,726	1,136,096	(126,976)
Program Controls	4,230,306	4,230,306	4,581,867	3,033,544	3,946,867	(283,439)
Administration	3,229,589	3,229,589	3,405,998	2,943,676	3,344,333	114,744
Procurement and Contract Administration	555,508	555,508	558,448	397,005	558,448	2,940
Property	570,364	570,364	600,013	456,012	585,013	14,649
Permitting Management	489,208	489,208	495,622	437,809	506,622	17,414
Health and Safety	488,585	488,585	390,980	306,238	390,980	(97,605)
Quality Management	391,560	391,560	393,640	307,254	443,640	52,080
Sustainability	84,344	84,344	264,240	228,313	334,240	249,896
Program Initiation Office						
Engineering	\$ 15,656,019	\$ 15,656,019	\$ 13,277,585	\$ 10,634,682	\$ 11,688,585	\$ (3,967,434)
Fieldwork	7,613,466	8,101,016	8,694,074	5,209,418	7,540,074	(560,942)
Initiation Fieldwork Support	-	150,000	150,000	-	150,000	-
	\$ 39,955,004	\$ 40,442,554	\$ 37,025,880	\$ 26,721,072	\$ 33,100,000	\$ (7,342,554)

Section 3 | Budget *continued*

Table 2 | FY 23/24 Budget Detail

Work Breakdown Structure	Original Budget	Current Budget	Commitments	Pending Commitments	Actuals Received	Remaining Budget	% of Budget Incurred	Estimate at Completion	Variance (Surplus)/Deficit
Delta Conveyance	\$ 39,955,004	\$ 40,442,554	\$ 37,025,880	\$ -	\$ 26,721,072	\$ 13,721,482	66%	\$ 33,100,000	\$ (7,342,554)
Executive Office	5,382,983	5,232,983	3,037,317	-	1,927,396	3,305,587	37%	2,475,102	(2,757,881)
Executive Office	2,555,988	2,555,988	2,237,513	-	1,538,739	1,017,249	60%	2,017,513	(538,475)
Legal	525,000	525,000	496,109	-	236,523	288,477	45%	236,109	(288,891)
Audit	18,000	18,000	18,000	-	14,910	3,090	83%	18,000	-
Treasury	37,315	37,315	45,855	-	45,855	(8,540)	123%	45,855	8,540
Human Resources	246,680	246,680	239,840	-	91,370	155,310	37%	121,840	(124,840)
Undefined Allowance	2,000,000	1,850,000	-	-	-	1,850,000	0%	35,785	(1,814,215)
Community Engagement	1,263,072	1,263,072	1,176,096	-	839,726	423,346	66%	1,136,096	(126,976)
Management	406,072	406,072	441,573	-	361,836	44,236	89%	411,573	5,501
Community Coordination	250,000	250,000	-	-	-	250,000	0%	-	(250,000)
Outreach	607,000	607,000	734,523	-	477,890	129,110	79%	724,523	117,523
Program Controls	4,230,306	4,230,306	4,581,867	-	3,033,544	1,196,762	72%	3,946,867	(283,439)
Management	682,311	682,311	994,237	-	573,352	108,959	84%	749,237	66,926
Cost Management	823,085	823,085	819,180	-	576,891	246,194	70%	704,180	(118,905)
Schedule Management	1,367,850	1,367,850	1,161,980	-	628,272	739,578	46%	961,980	(405,870)
Document Management	436,560	436,560	443,120	-	311,898	124,662	71%	418,120	(18,440)
Governance	920,500	920,500	1,163,350	-	943,130	(22,630)	102%	1,113,350	192,850
Administration	3,229,589	3,229,589	3,405,998	-	2,943,676	285,913	91%	3,344,333	114,744
Management	917,760	917,760	919,680	-	744,637	173,123	81%	919,680	1,920
Facilities	1,420,461	1,420,461	1,461,400	-	1,347,216	73,245	95%	1,419,734	(727)
Information Technology	891,368	891,368	1,024,919	-	851,823	39,545	96%	1,004,919	113,551
Procurement and Contract Administration	555,508	555,508	558,448	-	397,005	158,503	71%	558,448	2,940
Procurement Management	555,508	555,508	558,448	-	397,005	158,503	71%	558,448	2,940

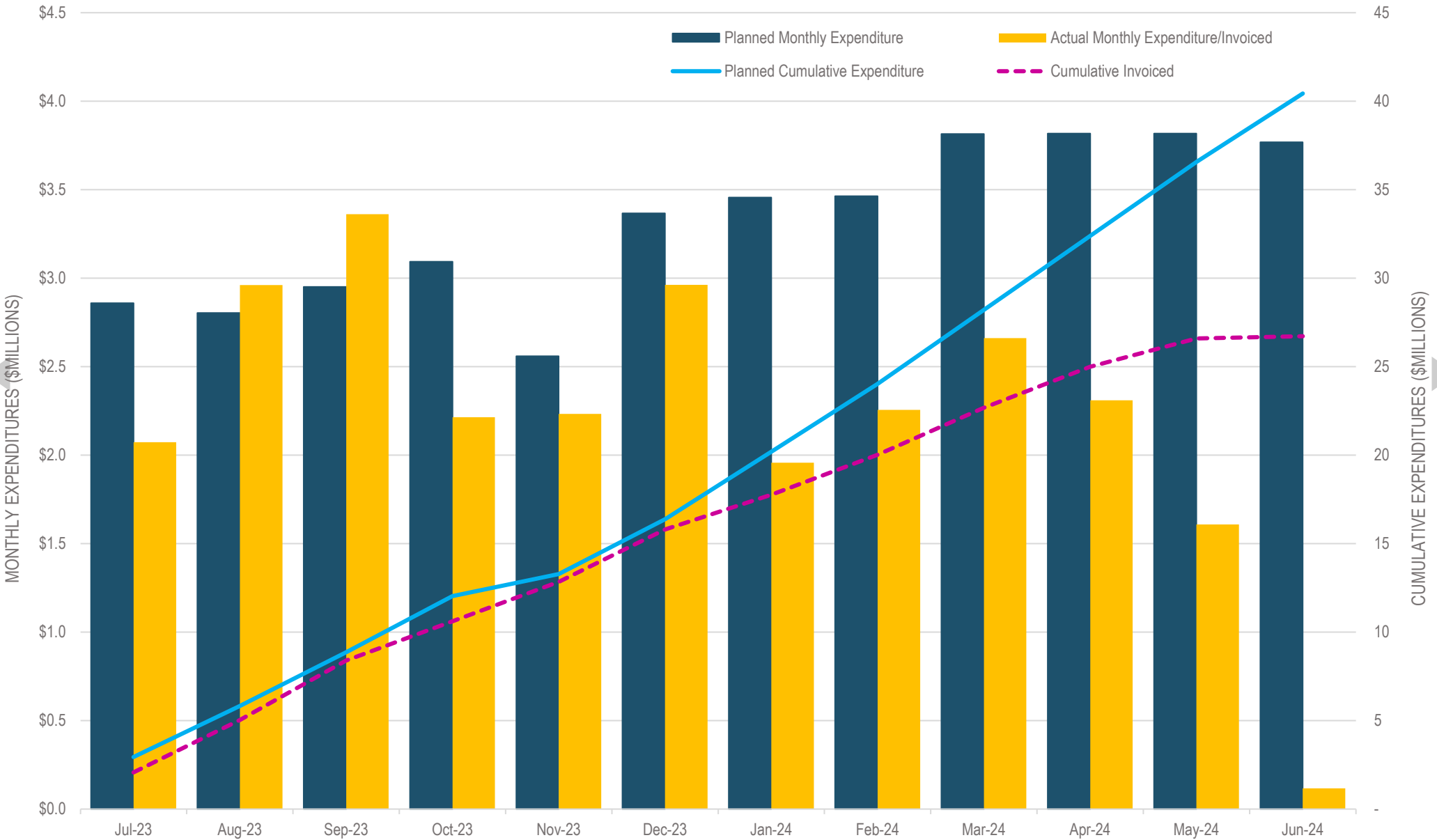
Section 3 | Budget *continued*

Table 2 | FY 23/24 Budget Detail

Work Breakdown Structure	Original Budget	Current Budget	Commitments	Pending Commitments	Actuals Received	Remaining Budget	% of Budget Incurred	Estimate at Completion	Variance (Surplus)/Deficit
Property	570,364	570,364	600,013	-	456,012	114,352	80%	585,013	14,649
Management	115,364	115,364	115,934	-	105,694	9,670	92%	147,934	32,570
Property Agents	355,000	355,000	384,079	-	284,318	70,682	80%	337,079	(17,921)
Temporary Entrance Permits	100,000	100,000	100,000	-	66,000	34,000	66%	100,000	-
Permitting Management	489,208	489,208	495,622	-	437,809	51,399	89%	506,622	17,414
Management	489,208	489,208	495,622	-	437,809	51,399	89%	506,622	17,414
Health and Safety	488,585	488,585	390,980	-	306,238	182,347	63%	390,980	(97,605)
Management	488,585	488,585	390,980	-	306,238	182,347	63%	390,980	(97,605)
Quality Management	391,560	391,560	393,640	-	307,254	84,306	78%	443,640	52,080
Management & Auditing	391,560	391,560	393,640	-	307,254	84,306	78%	443,640	52,080
Sustainability	84,344	84,344	264,240	-	228,313	(143,969)	271%	334,240	249,896
Management	84,344	84,344	264,240	-	228,313	(143,969)	271%	334,240	249,896
Engineering	15,656,019	15,656,019	13,277,585	-	10,634,682	5,021,337	68%	11,688,585	(3,967,434)
Management & Administration	1,019,495	1,019,495	1,107,831	-	1,072,884	(53,389)	105%	1,175,831	156,336
CEQA Engineering Support	941,432	941,432	415,479	-	418,566	522,866	44%	433,479	(507,953)
Facility Studies	8,831,836	8,831,836	10,145,819	-	9,015,323	(183,487)	102%	9,870,819	1,038,983
Project Definition Reports	4,863,256	4,863,256	1,608,456	-	127,909	4,735,347	3%	208,456	(4,654,800)
Fieldwork	7,613,466	8,101,016	8,694,074	-	5,209,418	2,891,598	64%	7,540,074	(560,942)
Management	1,379,135	1,379,135	1,185,351	-	856,704	522,431	62%	1,081,351	(297,784)
Geotechnical Work	5,800,000	6,287,550	7,003,535	-	3,978,565	2,308,985	63%	6,003,535	(284,015)
Environmental Monitoring	434,331	434,331	505,188	-	374,148	60,183	86%	455,188	20,857
Initiation	-	150,000	150,000	-	-	150,000	0%	150,000	-
Project Geotechnical	-	150,000	150,000	-	-	150,000	0%	150,000	-

Section 3 | Budget *continued*

Figure 1 | FY 23/24 Cash Flow



Section 4 | Contracts *continued*

Table 3 | Contract Summary

Contract Description	Commitment Amount	Pending Commitments	Invoiced to Date	Percent Invoiced
180005 - e-Builder, Inc.	\$ 153,861	\$ -	\$ 153,861	100%
180006 - Jacobs Engineering Group	\$ 15,061,927	\$ -	\$ 11,964,610	79%
180008 - Hamner, Jewell & Associates	\$ 50,798	\$ -	\$ 41,504	82%
180009 - Bender Rosenthal, Inc.	\$ 303,385	\$ -	\$ 221,765	73%
180010 - Associated Right of Way Services, Inc.	\$ 29,896	\$ -	\$ 21,049	70%
190005 - Baker Tilly US LLP	\$ 299,014	\$ -	\$ 299,014	100%
190009 - Parsons	\$ 8,427,221	\$ -	\$ 6,073,588	72%
190011 - GV/Hi Park Tower Owner, LLC	\$ 1,249,719	\$ -	\$ 1,231,877	99%
190014 - 110 Holdings dba Launch Consulting, LLC	\$ 360,284	\$ -	\$ 302,208	84%
190019 - VMA Communications, Inc.	\$ 902,900	\$ -	\$ 657,080	73%
190023 - JAMBO-Silvacom LTD	\$ 37,714	\$ -	\$ 34,920	93%
200003 - Best Best & Krieger	\$ 496,109	\$ -	\$ 236,523	48%
200013 - Metropolitan Water District of S. California	\$ 507,816	\$ -	\$ 190,651	38%
200014 - Dept of Water Resources	\$ 100,000	\$ -	\$ 66,000	66%
210018 - AECOM Technical Services	\$ 7,866,247	\$ -	\$ 4,539,629	58%
210019 - Santa Clara Valley Water	\$ 28,770	\$ -	\$ 28,770	100%

Section 4 | Contracts *continued*

Table 3 | Contract Summary

Contract Description	Commitment Amount	Pending Commitments	Invoiced to Date	Percent Invoiced
220002 - Gwendolyn Buchholz, Permit Engineer Inc	\$ 150,000	\$ -	\$ 132,250	88%
220008 - IRIS Intelligence, LLC	\$ 36,790	\$ -	\$ 36,790	100%
220009 - Alliant Insurance	\$ 37,043	\$ -	\$ 37,043	100%
220015 - Consolidated Communications, Inc.	\$ 36,000	\$ -	\$ 31,327	87%
220016 - AT&T	\$ 58,165	\$ -	\$ 21,740	37%
230001 - Keogh Multimedia	\$ 15,600	\$ -	\$ 2,535	16%
230007 - onPar Advisors LLC	\$ 48,622	\$ -	\$ 48,622	100%
230009 - Caltronics Government Services	\$ 37,650	\$ -	\$ 30,335	81%
230014 - Interagency Agreement	\$ 150,000	\$ -	\$ -	0%
230015 - AVI-SPL LLC	\$ 23,051	\$ -	\$ 17,998	78%
230016 - LuxBus America	\$ 35,000	\$ -	\$ 16,244	46%
230020 - Miles Treaster & Associates	\$ 28,000	\$ -	\$ 262	1%
230034 - Bradner Consulting, LLC	\$ 292,706	\$ -	\$ 147,917	51%
230035 - Bradner Consulting LLC	\$ 151,680	\$ -	\$ 101,120	67%
Agreements <\$15k	\$ 49,912	\$ -	\$ 33,842	68%

Section 4 | Contracts *continued*

Table 4 | Commitment Changes

There are no Commitment Changes for this period

Table 5 | S/DVBE Status (FY 23/24)

	Commitment Amount	Invoiced to Date	Percent Committed	Percent Invoiced
Delta Conveyance	\$ 37,025,880	\$ 26,721,072		
SBE Participation	3,154,709	2,324,931	8.5%	8.7%
DVBE Participation	\$ 50,000	\$ 5,920	0.1%	0.0%

Consultant	Current Commitment	Percent of Total Commitment	Invoiced to Date	Percent Invoiced SBE/DVBE	SBE/DVBE Status
Jacobs Engineering Group	15,061,927	0.9%	11,964,610	0.6%	
Anchor	50,000	0.3%	5,920	0.0%	SBE/DVBE
EETS	10,000	0.1%	7,995	0.1%	SBE
JMA	25,000	0.2%	35,556	0.3%	SBE
JASpezia	50,000	0.3%	26,182	0.2%	SBE
Parsons	8,427,221	20.1%	6,073,588	21.0%	
Chaves	1,695,080	20.1%	1,277,545	21.0%	SBE
Associated Right of Way Services	29,896	100%	21,049	100%	SBE
Bender Rosenthal, Inc.	303,385	100%	221,765	100%	SBE
Caltronics Government Services	37,650	100%	30,335	100%	SBE
Hamner, Jewell & Associates	50,798	100%	41,504	100%	SBE
VMA Communications	902,900	100%	657,080	100%	SBE

Table 6 | Contract Procurement Summary

WBS	Contract Type	Planning/ Estimated Value	Annual Budget (FY 2023/24)	Pending Contract Value	Anticipated Term	Procurement Method	Procurement Start	Target NTP Date	Status
Executive Director Services	Services & Consulting w/ Task Orders	\$13M	\$151,680	\$3.2M	5 year	Qualifications Based Selection	Jan-24	Apr-24	Complete as of 4/19/24
FedEx Business Account	General Services	\$1,000	\$1,000	\$1,000	3 months	Direct Purchase	Apr-24	Apr-24	Complete as of 5/28/24

Section 5 | Program Schedule

Schedule. The Program Management Office (PMO) continues to work on program support activities as planned. The Engineering team focused on finalizing the updated cost estimate and evaluating potential design innovations which could reduce program impacts, cost, or schedule, as well as supporting DCA programmatic activities, environmental and fieldwork efforts. The Fieldwork team focused on continued implementation of the Spring 2024 exploration program and planning for future FY 24/25 investigation programs.



Board Memo

Contacts: Graham Bradner, Executive Director

Date: June 20, 2024 Board Meeting

Item No. 6b

Subject: Proposed Final Budget for Fiscal Year 2024/25

Summary:

Attached to this memo is the DCA proposed final budget for Fiscal Year (FY) 2024/25. The proposed budget is \$43M and includes \$1.85M in unallocated reserve. This memo is intended to provide additional details to support the DCA Board of Directors consideration and adoption of the proposed FY 2024/25 budget.

Planned work in the upcoming year will largely focus on the following tasks:

- Providing support to the Department of Water Resources (DWR) preparation of permit documents and applications and responding to requests for clarification regarding the engineering aspects of the selected project alternative.
- Continued development of the program delivery plan, which includes analyses of program sequence, design and construction innovations, and contracting strategies to further reduce impacts, costs, schedule, risk, or improve constructability.
- Continued execution of our geotechnical program to better understand conditions associated with the Bethany Reservoir Alignment to help define or support current assumptions on underground conditions. This data is critical to validating the conceptual design of many of the program components and provides additional information to DWR as it seeks to further study the preferred project and continue through permitting activities.
- Continued development of DCA organization policies and procedures foundational to ensuring efficiency and transparency through future program phases.

At the June 6th, 2024 DCA Finance Committee Meeting, the Committee took a vote by motion order to recommend that the DCA Board of Directors approve the FY 2024/25 Budget in the amount of \$43M as shown in the attached materials. As appropriate, staff will update the Board regarding allocation of unallocated reserve.

Recommended Action:

Staff requests that the Board of Directors approve the Finance Committee's recommendation and adopt the proposed final budget for FY 2024/25.

Attachments:

Attachment 1 – FY 2024/25 Budget Summary Table

Attachment 2 – FY 2024/25 Budget Detail

Attachment 3 - Presentation Proposed Final FY 2024/25 Budget

CODE	Description	Proposed Final FY24/25 Budget
		\$ 43,000,200
10	PROGRAM MANAGEMENT OFFICE	\$ 19,727,300
100	PMO-Executive Office	\$ 4,939,700
110	PMO-Community Engagement	\$ 1,224,600
120	PMO-Program Controls	\$ 4,905,500
130	PMO-Administration	\$ 3,535,700
140	PMO-Procurement and Contract Administration	\$ 762,900
150	PMO-Property	\$ 1,028,300
160	PMO-Permitting Management	\$ 1,254,600
170	PMO-Health and Safety	\$ 431,600
180	PMO-Quality Management	\$ 698,600
190	PMO-Sustainability	\$ 501,500
210	PMO-Geotechnical Management	\$ 444,300
30	PROGRAM INITIATION	\$ 13,938,700
300	PI-Engineering	\$ 13,938,700
310	PI-Fieldwork	\$ -
40	PROGRAM DELIVERY	\$ 9,334,200
410	PDPD-Project Geotechnical	\$ 9,334,200

CODE	Description	Proposed Final FY24/25 Budget \$
		\$ 43,000,200
10	PROGRAM MANAGEMENT OFFICE	\$ 19,727,300
100	PMO-Executive Office	\$ 4,939,700
1000	EO-Management	
10001	EO-Executive Office	\$ 1,122,000
10002	EO-Chief Engineer	\$ 830,700
10003	EO-DCA Board Meetings	\$ 22,000
1005	EO-General Counsel	
10050	EO-General Counsel	\$ 497,200
1015	EO-Audit	
10150	EO-Audit	\$ 18,000
1020	EO-Treasury	
10200	EO-Treasury	\$ 338,000
1025	EO-Human Resources	
10250	EO-Human Resources	\$ 258,800
1090	EO-Undefined Allowance	
10900	EO-Undefined Allowance	\$ 1,853,000
110	PMO-Community Engagement	\$ 1,224,600
1100	CE-Management	
11000	CE-Management	\$ 351,700
1110	CE-Community Coordination	
11001	CE-Community Liaison	\$ 250,000
1115	CE-Outreach	
11002	CE-Stakeholder Engagement	\$ 420,800
11003	CE-Social Media	\$ 202,100
120	PMO-Program Controls	\$ 4,905,500
1200	PCTRL-Management	
12000	PCTRL-Management	\$ 651,000
1205	PCTRL-Risk Mgt	
12001	PCTRL-Risk Mgt	\$ -
1210	PCTRL-Cost Mgt	
12002	PCTRL-Cost Mgt	\$ 843,600
1215	PCTRL-Schedule Mgt	
12003	PCTRL-Schedule Mgt	\$ 1,688,800
1220	PCTRL-Document Mgt	
12004	PCTRL-Document Mgt	\$ 481,400
1230	PCTRL-Program Governance	
12006	PCTRL-Program Governance	\$ 911,300
1240	PCTRL-Asset Management	
12008	PCTRL-Asset Management	\$ 329,400

CODE	Description	Proposed Final FY24/25 Budget \$
130	PMO-Administration	\$ 3,535,700
1300	AD-Management	
13000	AD-Management	\$ 948,700
1305	AD-Facilities	
13001	AD-Office Rent	\$ 1,310,000
13002	AD-Office Furniture	\$ 24,000
13003	AD-Office Supplies	\$ 34,200
13005	AD-Office Utilities	\$ 128,000
1310	AD-Information Technology	
13006	AD-IT Services	\$ 664,300
13007	AD-IT Software	\$ 302,400
13008	AD-IT Hardware	\$ 124,100
140	PMO-Procurement and Contract Administration	\$ 762,900
1405	PCA-Management	
14000	PCA-Management	\$ 762,900
150	PMO-Property	\$ 1,028,300
1500	PY-Management	
15000	PY-Management	\$ -
1505	PY-Property Agents	
15001	PY-Property Agents	\$ 501,200
1510	PY-Temporary Entrance Permits	
15002	PY-Temporary Entrance Permits	\$ 477,100
1525	PY-Court Ordered Entry Deposit	
15006	PY-Court Ordered Entry Deposits	\$ 50,000
15007	PY-Court Ordered Entry Credits	\$ -
160	PMO-Permitting Management	\$ 1,254,600
1600	PM-Management	
16000	PM-Management	\$ 534,700
1615	PM-Permit Monitoring & Compliance	
16003	PM-Permit Monitoring & Compliance	\$ 719,900
170	PMO-Health and Safety	\$ 431,600
1700	HS-Management	
17000	HS-Management	\$ 431,600
180	PMO-Quality Management	\$ 698,600
1800	QM-Management & Auditing	
18000	QM-Management & Auditing	\$ 698,600
190	PMO-Sustainability	\$ 501,500
1900	ST-Management	
19000	ST-Management	\$ 501,500
210	PMO-Geotechnical Management	\$ 444,300

CODE	Description	Proposed Final FY24/25 Budget \$
2100	GT-Management	
21000	GT-Management	\$ 444,300
30	PROGRAM INITIATION	\$ 13,938,700
300	PI-Engineering	\$ 13,938,700
3000	PIE-Management & Administration	
30000	PIE-Management & Administration	\$ 1,141,900
3005	PIE-CEQA Engineering Support	
30001	PIE-CEQA Engineering Support	\$ -
3010	PIE-Facility Studies	
30002	PIE-Facility Studies	\$ 5,657,900
3011	PIE-Project Definition Reports	
30006	PIE-Project Definition Reports	\$ 6,937,300
3025	PIE-Permit Engineering Support	
30008	PIE-Permit Engineering Support Services	\$ 201,600
310	PI-Fieldwork	\$ -
3100	PIF-Management	
31000	PIF-Management	\$ -
3105	PIF-Geotechnical Work	
31001	PIF-Geotechnical Work	\$ -
3110	PIF-Surveying	
31002	PIF-Surveying	\$ -
3115	PIF-Environmental Monitoring	
31003	PIF-Environmental Monitoring & Surveying	\$ -
40	PROGRAM DELIVERY	\$ 9,334,200
410	PD-Project Delivery	\$ 9,334,200
4100	PDPD-Project Geotechnical	
41001	PDPD-Geotechnical	\$ 9,334,200

Note: Numbers are rounded up to the nearest hundred.



DCA

DELTA CONVEYANCE DESIGN & CONSTRUCTION AUTHORITY

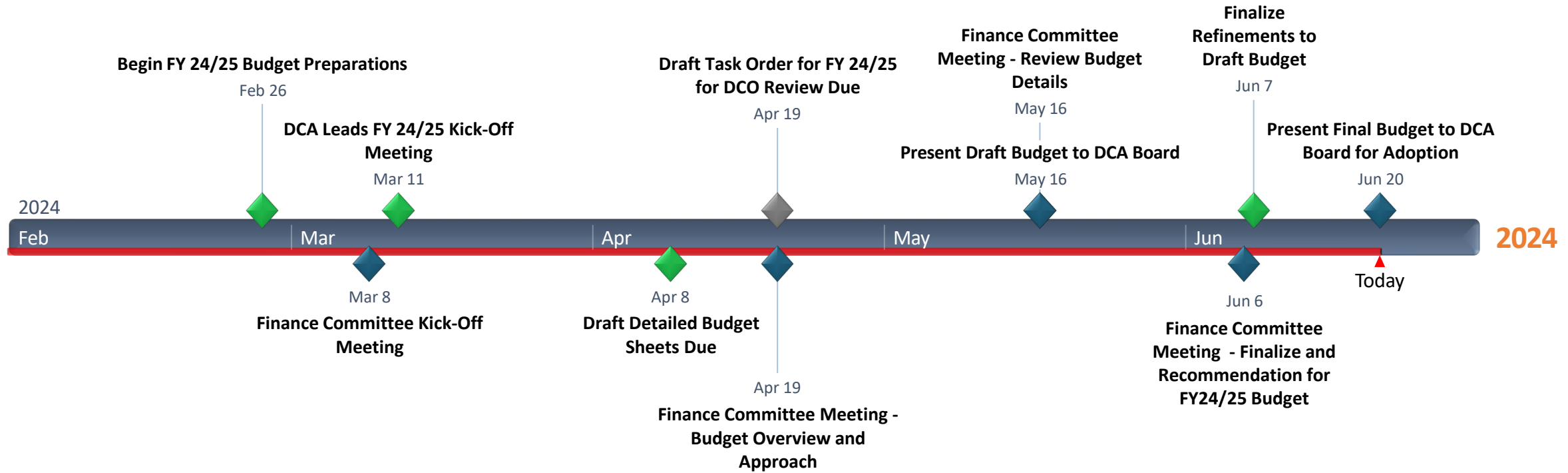
Proposed Final FY24/25 Budget

June 20, 2024 | Agenda Item 6b | Attachment 3

Agenda

- 1. FY24/25 Budget Planning Timeline**
- 2. Proposed Final FY24/25 Scope and Budget**
- 3. Staff Recommendation**
- 4. Q & A**

FY24/25 Budget Planning Activities and Schedule



Proposed Final FY24/25 Scope and Budget

FY 2024/25 Scope of Services

FY 23/24 Accomplishments:

- Supported DWR in responding to public comments and finalizing the EIR
- Completed field investigation programs (Summer 2023, Fall 2023, and Spring 2024 [underway])
- Prepared updated cost estimate for Bethany Reservoir Alignment, including evaluation of initial innovations to reduce impacts, cost, schedule, or risk
- Continued development of fact sheets, “closer looks”, videos, and translations of content
- Conducted 12 alignment tours, 3 more in planning
- Kicked off Phase 2 of Organizational Growth and Transition Plan – 6 new plans currently underway

FY 24/25 Priorities:

- Continue providing engineering support to DWR permit efforts
- Continue development of design, construction, and contracting innovations to improve/refine project definition and constructability, including support of DWR’s evaluation, including CEQA, of select innovations for possible changes to the approved project
- Subsurface investigations along Bethany Reservoir Alignment
- Continue organizational growth and transition planning for future stages of the program
- Further development of “closer look” series, tour support, fact sheets, and translated materials

FY 24/25 Proposed Budget Summary

- **\$43.0M proposed FY24/25 budget compared to \$40.4M budget for FY23/24**
- **New tasks and phases being introduced for FY24/25**

CODE	Description	Proposed Final FY24/25 Budget
		\$ 43,000,200
10	PROGRAM MANAGEMENT OFFICE	\$ 19,727,300
100	PMO-Executive Office	\$ 4,939,700
110	PMO-Community Engagement	\$ 1,224,600
120	PMO-Program Controls	\$ 4,905,500
130	PMO-Administration	\$ 3,535,700
140	PMO-Procurement and Contract Administration	\$ 762,900
150	PMO-Property	\$ 1,028,300
160	PMO-Permitting Management	\$ 1,254,600
170	PMO-Health and Safety	\$ 431,600
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310	PI-Fieldwork	\$ -
40	PROGRAM DELIVERY	\$ 9,334,200
410	PDPD-Project Geotechnical	\$ 9,334,200

Current WBS

The Program Management team developed a programmatic **Work Breakdown Structure (WBS)** to organize all budgeted activities of the DCA for the Delta Conveyance Program. The WBS was developed for all phases of the program from initiation to program closeout. Work activities of the DCA at the highest level of the WBS are described below:

Current Phases:

Program Management Office – Cross-organizational support functions throughout all phases of the program.

Program Initiation – Engineering work to support the environmental permitting phase, including evaluation of alternatives, improving definition of features, design criteria, contracts, and interfaces. This Phase ends when all major permits have been obtained and the program is positioned for implementation.

Program Delivery – Pre-Design data collection activities to support further study of a preferred project. This Phase would ultimately include final design and construction projects managed by the PMO.

PROGRAM MANAGEMENT OFFICE (PMO)	
PMO-Executive Office	
EO-Management	EO-Executive Office EO-Chief Engineer EO-DCA Board Meetings
EO-General Counsel	EO-General Counsel
EO-Audit	EO-Audit
EO-Treasury	EO-Treasury
EO-Human Resources	EO-Human Resources
EO-Undefined Allowance	EO-Undefined Allowance
PMO-Community Engagement	
CE-Management	CE-Management
CE-Community Coordination	CE-Community Support
CE-Outreach	CE-Community Meetings CE-Social Media
PMO-Program Controls	
PCTRL-Management	PCTRL-Management
PCTRL-Risk Mgt	PCTRL-Risk Mgt
PCTRL-Cost Mgt	PCTRL-Cost Mgt
PCTRL-Schedule Mgt	PCTRL-Schedule Mgt
PCTRL-Docment Mgt	PCTRL-Docment Mgt
PCTRL-Cost Validation	PCTRL-Cost Validation
PCTRL-Cost Estimating	PCTRL-Cost Estimating
PCTRL-Program Governance	PCTRL-Program Governance
PCTRL-Asset Management Planning	PCTRL-Asset Management Planning
PMO-Administration	
AD-Management	AD-Management
AD-Facilities	AD-Office Rent AD-Office Furniture AD-Office Supplies AD-Other Direct Costs AD-Office Utilities
AD-Information Technology	AD-IT Services AD-IT Software AD-IT Hardware
PMO-Procurement	
PCA-Management	PCA-Management

PROGRAM MANAGEMENT OFFICE (Cont.)	
PCA-Procurement Management	
PCA-Procurement Management	
PCA-Contract Administration	
PCA-Contract Administration	
PMO-Property	
PY-Management	PY-Management
PY-Property Agents	PY-Property Agents
PY-Temporary Entrance Permits	PY-Temporary Entrance Permits
PY-Easements	PY-Easements
PY-Land Purchases	PY-Land Purchases
PY-Eminent Domain Support	PY-Eminent Domain Support
PY-Court Ordered Entry Deposit	PY-Court Ordered Entry Deposit PY-Court Ordered Entry Credit
PMO-Permitting Management	
PM-Management	PM-Management
PM-Environmental Planning	PM-Environmental Planning
PM-Permit Acquisition	PM-Permit Acquisition
PM-Permit Monitoring & Compliance	PM-Permit Monitoring & Compliance
PM-Permitting Surveys Management	PM-Cultural Survey Management PM-Biological Survey Management
PMO-Health and Safety	
HS-Management	HS-Management
PMO-Quality Management	
QM-Management & Auditing	QM-Management & Auditing
PMO-Sustainability	
ST-Management	ST-Management
PMO-Engineering Management	
EN-Management	EN-Management
EN-Project Design Reviews	EN-Basis of Design Report Review EN-30% Design Review EN-60% Design Review EN-Bid Review EN-Value Engineering
PMO-Geotechnical Management	
GT-Management	GT-Management
PMO-Surveying & Mapping Management	
SM-Management & Auditing	SM Management & Auditing

PROGRAM INITIATION PHASE (PI)	
PI-Engineering	
PIE-Management & Administration	
PIE-Management & Admin.	
PIE-CEQA Engineering Support	
PIE-CEQA Engineering Support	
PIE-Facility Studies	
PIE-Facility Studies	
PIE-Shared Support Services	
PIE-Shared Support Services	
PIE-Project Definition Reports	
PIE-Project Definition Reports	
PIE-Permit Engineering Support	
PIE-Permit Engineering Support	
PI-Fieldwork	
PIF-Management	
PIF-Geotechnical Work	
PIF-Surveying	
Program Delivery Phase (PD)	
PD-Project Delivery	
PDPD-Management	
PDPD-Management	
PDPD-Project Design Procurement	
PDPD-Design Procurement	
PDPD-Project Geotechnical	
PDPD-Geotechnical	
PDPD-Project Surveying & Mapping	
PDPD-Surveying & Mapping	
PDPD-Project Permit Monitoring & Compliance	
PDPD-Permit Monitoring & Compliance	
PDPD-Permitting Surveys	
PDPD-Cultural Surveys PDPD-Biological Surveys	



EXECUTIVE OFFICE

- The Executive Office (EO) includes all activities of the Executive Director Office and the Chief Engineer as well as support for the DCA Board meetings. It also includes activities that provide financial, legal and human resource oversight to the DCA organization.
- Allocated reserves in Undefined Allowance for the fiscal year budget are included in the Executive Office budget.
- **Key Activities for FY24/25:**
 - Executive Team for DCA
 - Providing overall program guidance and direction
 - Managing organizational transition
 - Strategic support to DWR’s permitting efforts

Description	Proposed Final FY24/25 Budget \$
PMO-Executive Office	\$ 4,939,700
EO-Management	
EO-Executive Office	\$ 1,122,000
EO-Chief Engineer	\$ 830,700
EO-DCA Board Meetings	\$ 22,000
EO-General Counsel	
EO-General Counsel	\$ 497,200
EO-Audit	
EO-Audit	\$ 18,000
EO-Treasury	
EO-Treasury	\$ 338,000
EO-Human Resources	
EO-Human Resources	\$ 258,800
EO-Undefined Allowance	
EO-Undefined Allowance	\$ 1,853,000

COMMUNITY ENGAGEMENT

- Community Engagement (CE) includes all activities related to the DCA’s outreach with interested stakeholders. This includes supporting DWR with outreach efforts, as well as managing content on our website and social media outlets.
- **Key Activities for FY24/25:**
 - **Development of informational materials**
 - **Social media management**
 - **Delta tour coordination**
 - **Placeholder Community Liaison maintained as carryover from FY23/24**

Description	Proposed Final FY24/25 Budget \$
PMO-Community Engagement	\$ 1,224,600
CE-Management	
CE-Management	\$ 351,700
CE-Community Coordination	
CE-Community Liaison	\$ 250,000
CE-Outreach	
CE-Stakeholder Engagement	\$ 420,800
CE-Social Media	\$ 202,100

PROGRAM CONTROLS

- The Program Controls (PCTRL) group provides management support across the entire organization for budget, cost, schedule, risk and document controls. The group is also responsible for maintenance of our policies and procedures that document our business processes.
- **Key Activities for FY24/25:**
 - **Program Management Plan updates: Funding, Budget, Contract**
 - **Ongoing refinements to master schedule and support for evaluation of innovations**
 - **Asset Hierarchy Plan**

Description	Proposed Final FY24/25 Budget \$
PMO-Program Controls	\$ 4,905,500
PCTRL-Management	
PCTRL-Management	\$ 651,000
PCTRL-Risk Mgt	
PCTRL-Risk Mgt	\$ -
PCTRL-Cost Mgt	
PCTRL-Cost Mgt	\$ 843,600
PCTRL-Schedule Mgt	
PCTRL-Schedule Mgt	\$ 1,688,800
PCTRL-Document Mgt	
PCTRL-Document Mgt	\$ 481,400
PCTRL-Program Governance	
PCTRL-Program Governance	\$ 911,300
PCTRL-Asset Management	
PCTRL-Asset Management	\$ 329,400

ADMINISTRATION

- The Administration (AD) group is responsible for managing the DCA’s physical facilities and IT requirements. IT services include personnel PC support, facility equipment/technology support, hardware maintenance and software implementations.
- **Key Activities for FY24/25 :**
 - **Hardware refresh Cycle 1**
 - **Data Warehouse - increase the use of dynamic dashboards and reporting**
 - **Board and Conference room audio/visual improvements**
 - **Continue ramp up on Learning Management System**
 - **e-Builder process implementations for SharePoint integration**

Description	Proposed Final FY24/25 Budget \$
PMO-Administration	\$ 3,535,700
AD-Management	
AD-Management	\$ 948,700
AD-Facilities	
AD-Office Rent	\$ 1,310,000
AD-Office Furniture	\$ 24,000
AD-Office Supplies	\$ 34,200
AD-Office Utilities	\$ 128,000
AD-Information Technology	
AD-IT Services	\$ 664,300
AD-IT Software	\$ 302,400
AD-IT Hardware	\$ 124,100

PROCUREMENT AND CONTRACT ADMINISTRATION

- The Procurement (PCA) group is responsible for managing the procurement of all goods and services for the organization including Request for Proposal/Qualifications (RFP/Qs), bids, contract negotiation, insurance, contract amendments and closeout.
- **Key Activities for FY24/25:**
 - **Procurement Management Plan updates**
 - **Competitive Solicitations**
 - Survey Services
 - Communication Support Services
 - Insurance Brokerage
 - **Contract amendments, direct purchase requests, change orders**

Description	Proposed Final FY24/25 Budget \$
PMO-Procurement and Contract Administration	\$ 762,900
PCA-Management	
PCA-Management	\$ 762,900

PROPERTY AND PERMITTING MANAGEMENT

- The Property (PY) group is responsible for securing all property-related permissions and acquisitions including temporary entrance permits for field work activities.
- The Permitting Management (PM) group is responsible for providing support in identifying and securing all necessary permits required for the project.
- **Key Activities for FY24/25:**
 - **Temporary right-of-way for geotechnical investigations and surveys associated with Bethany Reservoir Alignment**
 - **Real estate strategy and team development**
 - **Environmental support for geotechnical investigations**
 - **Support for CESA/ESA and SWRCB CPOD**

Description	Proposed Final FY24/25 Budget \$
PMO-Property	\$ 1,028,300
PY-Management	
PY-Management	\$ -
PY-Property Agents	
PY-Property Agents	\$ 501,200
PY-Temporary Entrance Permits	
PY-Temporary Entrance Permits	\$ 477,100
PY-Court Ordered Entry Deposit	
PY-Court Ordered Entry Deposits	\$ 50,000
PMO-Permitting Management	\$ 1,254,600
PM-Management	
PM-Management	\$ 534,700
PM-Permit Monitoring & Compliance	
PM-Permit Monitoring & Compliance	\$ 719,900

Health and Safety, Quality Management & Sustainability

- The Health and Safety (HS), Quality (QM), and Sustainability (ST) groups are responsible for oversight across all DCA activities.
- **Key Activities for FY24/25:**
 - Continue to enhance the Health Safety and Security Program (HSSP) to improve safety oversight of the DCA project.
 - Continued quality audits and process efficiency review
 - Continuous improvement program
 - Complete sustainability strategy development

Description	Proposed Final FY24/25 Budget \$
PMO-Health and Safety	\$ 431,600
HS-Management	
HS-Management	\$ 431,600
PMO-Quality Management	\$ 698,600
QM-Management & Auditing	
QM-Management & Auditing	\$ 698,600
PMO-Sustainability	\$ 501,500
ST-Management	
ST-Management	\$ 501,500

Geotechnical Management

- Geotechnical Management (GT) group responsible for management of investigative work performed under Program Delivery Phase
- **Key Activities for FY24/25:**
 - Management of fieldwork activities for the Summer 2024, Fall 2024, and Spring 2025 Programs
 - QA/QC of collected geotechnical data
 - Incorporation of data into geodatabase

Description	Proposed Final FY24/25 Budget \$
PMO-Geotechnical Management	\$ 444,300
GT-Management	
GT-Management	\$ 444,300

ENGINEERING

- The Program Initiation Engineering (PIE) group is responsible for conducting technical studies and alternatives analyses to support evaluation of alternatives and refinement of project definition.
- **Key Activities for FY24/25:**
 - Preferred Project Engineering Report
 - Project Definition Reports for Lower Roberts Access Roads, Tunnel Reach 4, Compensatory Mitigation Projects
 - Facility innovations studies
 - Design management plans
 - Ongoing development of geologic models

Description	Proposed Final FY24/25 Budget \$
PROGRAM INITIATION	\$ 13,938,700
PI-Engineering	\$ 13,938,700
PIE-Management & Administration	
PIE-Management & Administration	\$ 1,141,900
PIE-CEQA Engineering Support	
PIE-CEQA Engineering Support	\$ -
PIE-Facility Studies	
PIE-Facility Studies	\$ 5,657,900
PIE-Project Definition Reports	
PIE-Project Definition Reports	\$ 6,937,300
PIE-Permit Engineering Support	
PIE-Permit Engineering Support Services	\$ 201,600

FIELDWORK

- Program Initiation Fieldwork (PIF) was responsible for management and execution of all field investigatory activities to support conceptual engineering work.
- Fieldwork activities along the Bethany Reservoir Alignment are transitioned to Program Delivery Phase supporting further evaluation, design, and permitting.
- **Key Activities for FY24/25:**
 - **None planned**

Description	Proposed Final FY24/25 Budget \$
PI-Fieldwork	\$ -
PIF-Management	
PIF-Management	\$ -
PIF-Geotechnical Work	
PIF-Geotechnical Work	\$ -
PIF-Surveying	
PIF-Surveying	\$ -
PIF-Environmental Monitoring	
PIF-Environmental Monitoring & Surveying	\$ -

Project Geotechnical

- Program Delivery Project Delivery (PDPD) Geotechnical is a new WBS item to track the field investigations including the geotechnical program, field surveying, and other exploratory work for the Bethany Reservoir Alignment.
- **Key Activities for FY24/25:**
 - **Subsurface data collection activities for Summer 2024, Fall 2024, and Spring 2025**
 - **Includes laboratory testing from Spring 2024 program**
 - **Data Reporting**

Description	Proposed Final FY24/25 Budget \$
PROGRAM DELIVERY	\$ 9,334,200
PD-Project Delivery	\$ 9,334,200
PDPD-Project Geotechnical	
PDPD-Geotechnical	\$ 9,334,200

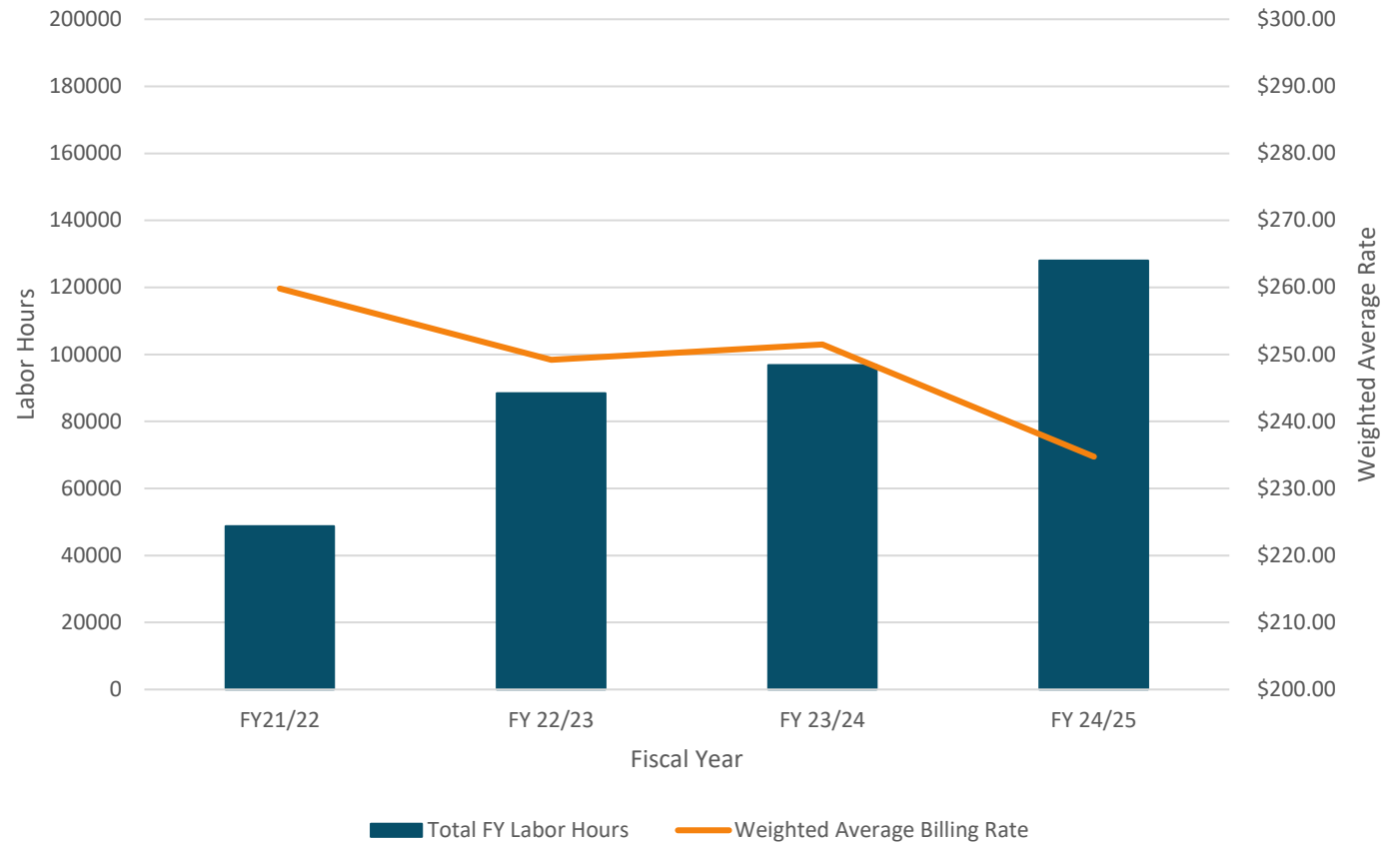
BUDGET BY VENDOR (≥ \$250,000; 90% OF BUDGET)

Consultant / Vendor	Proposed Final FY 24/25 Budget	Services
Jacobs	\$ 16,402,500	Engineering
Parsons	\$ 9,528,700	Program Management
AECOM	\$ 9,334,200	Geotechnical Exploration
GV/Hi Park Tower	\$ 1,310,000	Office Lease
VMA	\$ 801,900	Communication/Outreach Services, Communications Manager
Bradner Consulting	\$ 608,000	Executive Director
Bender Rosenthal	\$ 553,000	Right of Way Services
Metropolitan Water District	\$ 545,200	Treasury and Administrative
Best, Best & Krieger	\$ 497,200	General Counsel
Launch	\$ 371,900	Information Technology and Equipment

Note: Final FY 24/25 Proposed Budget Values Rounded up to the Nearest \$100

Metrics by Fiscal Year

- **Data from the 3 largest contracts (>80% of fees for FY24/25)**
 - Engineering Design Management
 - Program Management
 - Geotechnical Data Collection and Reporting
- **Total labor hour steadily increasing from FY 21/22**
- **Billing rates being managed**



Discussion or Questions?

- **Available materials:**
 - FY24/25 Budget Summary
 - FY24/25 Budget Detail

Recommendation Request

- **Staff requests that the Board of Directors approve the Finance Committee's recommendation and adopt the proposed final budget for FY 2024/25.**

Board Memo

Contact: Sam Smalls, MWD Treasury and Debt Manager

Agenda Date: June 20, 2024 Board Meeting

Item No. 6c

Subject: Adopt Resolution Approving the Investment Policy

Summary:

Seeking Board approval of DCA's Statement of Investment Policy (Policy) for fiscal year (FY) 2024/25. Staff also seeks Board approval for the delegation of authority to the Treasurer to invest Metropolitan's funds for FY 2024/25, pursuant to the California Government Code (Government Code).

Detailed Report:

The Policy has been updated to ensure that it complies with the requirements of the Government Code, conforms to the investment policy certification standards established by the California Municipal Treasurers Association, provides a balance between investment restrictions and investment flexibility, and expresses investment objectives and preferences with clarity and consistency.

Action:

Staff recommends the Board approve the Statement of Investment Policy for fiscal year 2024/25; and delegate authority to the Treasurer to invest the DCA's funds for Fiscal Year 2024/25.

Attachments:

Attachment 1 – Resolution-XX To Authorize The Investment Policy And Annual Delegation To The DCA Treasurer For Fiscal Year 2024-2025

Attachment 2 – Investment Policy

Attachment 3 – Investment Policy Presentation

BOARD OF DIRECTORS OF THE DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY

RESOLUTION NO. 24-xx

Introduced by Director: XXXX

Seconded by Director: XXXX

**RESOLUTION TO AUTHORIZE THE INVESTMENT POLICY AND ANNUAL DELEGATION
TO THE DCA TREASURER
FOR FISCAL YEAR 2024-2025**

WHEREAS, pursuant to Government Code Section 53607, a legislative body of a local agency has the authority to delegate for a one-year period investment authority to the treasurer and that such delegation may be renewed each year; and

WHEREAS, as part of best practice and sound financial management, the Delta Conveyance Design and Construction Authority (DCA) adopts an annual Investment Policy outlining the permitted investments of DCA funds; and

WHEREAS, the DCA Board of Directors wishes to delegate investment authority to the Treasurer for Fiscal Year 2024-25 and to adopt the Investment Policy for such fiscal year.

Now, therefore, the DCA Board of Directors resolves as follows:

1. The Board of Directors hereby determines that the preceding recitals are true and correct and hereby adopts and incorporates them into this Resolution.
2. The Board of Directors adopts the DCA Investment Policy for Fiscal Year 2024-25 as attached hereto as Exhibit A and incorporated by this reference.
3. The Board of Directors hereby delegates to the DCA's Treasurer the authority to invest or to reinvest funds of the DCA, or to sell or exchange securities so purchased for Fiscal Year 2024-25 in compliance with the Investment Policy and applicable law.
4. The DCA's Treasurer shall assume full responsibility for these transactions until the delegation of authority is revoked or expires
5. This Resolution shall take effect immediately upon its adoption.

* * * * *

This Resolution was passed and adopted this ____ day of June 2024, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

DCA Board President, Sarah Palmer

Attest:

DCA Secretary, Gary Martin



DELTA CONVEYANCE DESIGN AND CONSTRUCTION AUTHORITY (DCA) BOARD POLICY ON INVESTMENT

PREAMBLE

This policy is intended to provide guidelines for the prudent investment of surplus cash, reserves, trust funds, bond proceeds and restricted monies.

SECTION 1. POLICY

It is the policy of the Board of Directors of the Delta Conveyance Design and Construction Authority (“DCA”) to invest public funds in a manner which conforms to the three fundamental criteria in order of importance, as listed:

- Safety of Principal
- Liquidity
- Return on Investment, or Yield

SECTION 2. INVESTMENT AUTHORITY

In accordance with Section 53600, *et seq.*, of the Government Code of the State of California, the authority to invest DCA public funds has been delegated to the DCA’s Treasurer.

SECTION 3. DELEGATION OF AUTHORITY

Responsibility for the investment program is specifically delegated by the Board to the Board-appointed Treasurer or, if no such appointment has been made, to the Executive Director, hereafter referred to as Treasurer who will establish procedures for the investment program, consistent with this Investment Policy. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities, including procedures to execute investment transactions in the absence of the Treasurer.

SECTION 4. STATEMENT OF OBJECTIVES

Per Section 53600.5 of the California Government Code, the primary objective of the Treasurer shall be to safeguard the principal of the funds under his or her control when investing public funds. The secondary objective will be to maintain liquidity as required by the DCA and the third objective is to obtain a return on investment of these funds.

In order of priority, the three fundamental criteria shall be followed in the investment of funds:

- (1) Safety of Principal** – Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal in the portfolio. Each investment transaction shall be entered only after taking into consideration the quality of the issuer, the underlying security or collateral, and diversification of the portfolio. Cash flow analysis will be conducted and utilized to avoid the need to sell securities prior to maturity. The DCA shall seek to preserve principal by mitigating both credit and market risk.
- (2) Liquidity** – Every effort shall be made to ensure that the DCA’s portfolio is sufficiently liquid to meet current and anticipated operating requirements. Cash flow analysis should be performed on an ongoing basis. Investments shall be made to ensure maturities are compatible with anticipated cash flow requirements.
- (3) Return on Investment, or Yield** – Investments shall be undertaken to produce an investment return consistent with the primary objectives of Safety of Principal and Liquidity, and the Prudent Investor Standard.

The Treasurer shall have an overall investment objective of holding investments to maturity and not investing with the objective of actively trading or trading for speculative purposes. However, the Treasurer may, from time to time, swap or sell securities in order to reposition securities to current coupon issues, maintain proper asset allocation limits, or to realize profits from market value appreciation.

The Treasurer may sell securities in order to protect the overall quality of the portfolio under the following circumstances:

1. To raise cash to meet unanticipated cash-flow requirements;
2. To swap old securities for current coupon securities;
3. To maintain portfolio allocation limits; and
4. To avoid further erosion and loss of investment principal due to deterioration in credit-worthiness, as well as to respond to rapidly changing interest rate environments.

SECTION 5. SCOPE

The Investment Policy applies to all available funds of the DCA with the exception of proceeds of notes, bonds or similar external financings which would be invested pursuant to bond indentures or State of California Government Code Section 53600, et seq., as applicable.

SECTION 6. PRUDENT INVESTOR STANDARD

All investments and evaluation of such investments shall be made with the Prudent Investor Standard as set forth in the California Government Code, Sections 53600.3 and 27000.3, which is defined as a standard of conduct whereby any person authorized to make investment decisions on behalf of the DCA acts with care, skill, prudence and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the DCA with the aim to safeguard principal and meet the liquidity needs of the DCA.

SECTION 7. PORTFOLIO ADJUSTMENTS

Portfolio percentage limitations for each category of investment are applicable only at the date of purchase. Should an investment percentage be exceeded due to instances such as the fluctuation in overall portfolio size, or market valuation changes, the Treasurer is not required to sell the affected securities.

Should a security held in the portfolio be downgraded below the minimum rating criteria specified in this Investment Policy, the Treasurer shall sell such security in a manner designed to minimize losses. If the security is downgraded to a level that is less than investment grade, the Treasurer shall perform a credit analysis of such security to determine whether hold or sell the security. The Treasurer may elect to sell the security immediately to minimize losses in the event that an orderly disposition with minimal losses cannot be achieved. If the security matures within sixty (60) days of the rating decline, the Treasurer may choose not to sell the affected security.

The Treasurer shall note in a quarterly report securities which have been downgraded below investment grade and the status of disposition.

SECTION 8. SAFEKEEPING AND CUSTODY

All securities transactions entered into by the DCA shall be conducted on a delivery-versus-payment (DVP) basis pursuant to a custodial safekeeping agreement. All securities owned by the DCA shall be held in safekeeping by an independent custodian designated by the Treasurer. Financial institutions providing safekeeping services shall provide reports or receipts which verify securities held in safekeeping.

SECTION 9. REPORTING

The Treasurer shall submit a quarterly report within 30 days following the end of the quarter covered by the report to the DCA Board of Directors pursuant to California Government Code Section 53646 (b)(1). The report shall at a minimum provide information on compliance to this policy and on the composition of the portfolio for each fund with:

- Types of investment
- Issuer
- Maturity dates
- Par and dollar amount
- Market values including source of the valuation
- Rates of Interest
- Expected yields to maturity

In addition, the quarterly report shall also include a statement denoting the ability to meet the DCA's expenditure requirements for the next six (6) months.

SECTION 10. INVESTMENT GUIDELINES AND ELIGIBLE SECURITIES

Section 53600, et seq., of the Government Code of the State of California prescribes the statutory requirement relating to investments by local treasurers, providing guidance on:

- Allowable investments
- Portfolio diversification requirements including proportional limits on investment types, maximum maturity, and minimum credit rating criteria.

The maximum maturity of any investment in the portfolios shall not exceed five (5) years except when specifically authorized by the DCA Board of Directors through resolution. When practical, the Treasurer shall solicit more than one quotation on each trade for the purpose of awarding investment trades on a competitive basis. The DCA will conform to the legal provisions set forth in the Government Code with further and more specific requirements about allowable investments and restrictions as detailed below:

10.1 US Treasury Bonds, Bills and Notes

Bills, notes and bonds issued by the U.S. Treasury which are direct obligations of the federal government.

- Maximum limit: 100% of the portfolio
- Maximum maturity of five (5) years
- Credit Requirement: N.A.

10.2 Federal Agency Bonds and Notes

Notes and bonds of federal agencies, government-sponsored enterprises and international institutions. Not all are direct obligations of the U. S. Treasury but may involve federal sponsorship and/or guarantees, in some instances.

- Maximum limit: 100% of the portfolio
- Maximum maturity of five (5) years
- Credit Requirement: N.A.

10.3 Banker's Acceptances

Bills of exchange or time drafts drawn on and accepted by a commercial bank, typically created from a letter of credit issued in a foreign trade transaction.

- Maximum limit: Forty percent (40%) of the portfolio; five percent (5%) with any one issuer
- Issued by banks with total deposits of over one billion dollars (\$1,000,000,000)
- Maximum maturity of one-hundred eighty (180) days
- Credit requirement: A-1 or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO).
- Issued by banks from offices in the USA.

10.4 Commercial Paper

Commercial paper is defined as short-term, unsecured promissory notes issued by financial and non-financial companies to raise short-term cash. Financial companies issue commercial paper to support their consumer and/or business lending; non-financial companies issue for operating funds.

- Maximum limit: Twenty-five percent (25%) of the portfolio; ten percent (10%) with any one issuer
- Maximum Maturity of two hundred seventy (270) days
- Credit requirement: Highest ranking or highest letter and number rating as provided by an NRSRO.
- Entity issuing the commercial paper must meet the conditions of California Government Code Section 53601(h)(1) or (2).

10.5 Medium Term Corporate Notes

Corporate Bonds, Corporate Notes and Deposit Notes. Issuers are banks and bank holding companies, thrifts, finance companies, insurance companies and industrial corporations. These are debt obligations that are generally unsecured.

- Maximum limit: Thirty percent (30%) of the portfolio; ten percent (10%) with any one issuer
- Maximum maturity of five (5) years
- Credit Requirement: A or its equivalent or better by an NRSRO.
- Eligibility: Limited to corporations organized and operating within the United States or depository institutions licensed by the United States or any State and operating within the United States.

10.6 Negotiable Certificates of Deposit

Issued by nationally or state-chartered banks, savings association or federal association, state or federal credit union, or federally licensed or state licensed branch of a foreign bank.

- Maximum limit: Thirty percent (30%) of the portfolio, with five percent (5%) per issuer
- Maximum maturity of five (5) years
- Credit Requirement: A (long-term) or A-1 (short-term) or their equivalents or better by an NRSRO
- Issued by banks with total deposits of one billion dollars (\$1,000,000,000) or more

10.7 Bank Deposit

Insured or collateralized time certificates of deposits, saving accounts, market rate accounts, or other bank deposits.

- Maximum limit: Thirty percent (30%) of the portfolio for all deposits
- Maximum maturity five (5) years
- Credit Requirement: All deposits must be collateralized as required by California Government Code Section 53630 *et seq.* The Treasurer may waive collateral for the portion of any deposits that is insured pursuant to federal law.
- Deposits are limited to a state or national bank, savings association or federal association a state or federal credit union, or a federally insured industrial loan company, located in California.
- Deposits must meet the conditions of California Government Code Section 53630 *et seq.*

Pursuant to Government Code 53637, the DCA is prohibited from investing in deposits of a state or federal credit union if a member of the legislative body or decision-making authority serves on the board of directors or committee.

10.8 Money Market Mutual Funds

Shares of beneficial interest issued by diversified management companies that are money market funds registered with the SEC.

- Maximum Maturity: N/A
- Maximum limit: Twenty percent (20%) of the portfolio

- Credit Requirement: Highest ranking by not less than two NRSROs or must retain an investment advisor that meets specific requirements
- The use of money market funds is limited to Government money market funds that provide daily liquidity and seek to maintain a stable Net Asset Value (NAV)

10.9 State of California, Local Agency Investment Fund (LAIF).

LAIF is a pooled investment fund overseen by the State Treasurer, which operates like a money market fund, but is for the exclusive benefit of governmental entities within the state. The maximum investment amount authorized by the Local Agency Investment Fund (LAIF) is set by the State Treasurer’s Office. The LAIF is held in trust in the custody of the State of California Treasurer. The DCA’s right to withdraw its deposited monies from LAIF is not contingent upon the State’s failure to adopt a State Budget.

- Maximum limit: 100% of the portfolio
- Maximum Maturity: N/A
- Credit requirement: N/A

10.10 Municipal Bonds and Notes

Municipal obligations issued by a municipality within the State of California and any other of the states in the union. This may include bonds, notes, warrants, or other evidence of indebtedness of a local agency within the state.

- Maximum limit: Forty percent (40%) of the portfolio; five percent (5%) with any one issuer
- Maximum maturity of five (5) years
- Must be issued by State of California, any of the other 49 states, or California local agency
- Credit Requirement: A (long-term) or A-1 (short-term) or their equivalents or better by an NRSRO

10.11 Repurchase Agreement

A repurchase agreement is a purchase of authorized securities with terms including a written agreement by the seller to repurchase the securities on a future date and price.

- Maximum limit: Twenty percent (20%) of the portfolio
- Maximum maturity of two hundred seventy (270) days
- Master Repurchase Agreement must be on file
- Limited to primary dealers or financial institutions rated “A” or its equivalent or higher by an NRSRO.
- Fully collateralized at market value of at least one hundred two percent (102%) with US government or federal agency securities

10.12 California Asset Management Program (CAMP)

Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7.

- Maximum limit: Forty percent (40%) of the portfolio
- Maximum maturity: N/A

- Credit requirement: AAAm or its equivalent or better by an NRSRO
- Joint powers authority has retained an investment adviser that is registered or exempt from registration with the Securities and Exchange Commission, has five or more years of experience investing in the securities and obligations authorized under California Government Code Section 53601, and has assets under management in excess of five hundred million dollars (\$500,000,000).

10.13 Supranationals

Securities issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB) and eligible for purchase and sale within the United States.

- Maximum allocation: Thirty percent (30%) of the portfolio
- Maximum maturity: Five (5) years
- Credit requirement: AA or its equivalent or better by an NRSRO.

10.14 Asset-Backed Securities

A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivisions (1) or (2) above, the following limitations apply:

- Maximum allocation: Twenty percent (20%) of the portfolio, five percent (5%) with any one issuer
- Maximum maturity: Five (5) years
- Credit requirement: AA or its equivalent or better by an NRSRO.

SECTION 11. CREDIT RATING

Credit rating requirements for eligible securities as specified in this policy specify the minimum credit rating category required at purchase without regard to +, -, or 1, 2, 3 modifiers, if any. The security, at the time of purchase, may not be rated below the minimum credit requirement by any of the NRSROs that rate the security.

SECTION 12. MONITORING SAFETY AND LIQUIDITY

The Treasurer shall monitor, on an ongoing basis, investments for exposure to risk and credit deterioration to ensure primary objectives of safety of principal and liquidity are adhered to. Such matters shall be reported to the DCA Board of Directors as part of the Treasurer's quarterly and/or annual report.

SECTION 13. ADMINISTRATION

The Treasurer may, at any time, establish more restrictive requirements for securities approved for investment as deemed appropriate in this Investment Policy. These restrictions may include, but are not limited to, higher credit ratings, lower percentage limits by security type or issuer, shorter maturities and additional collateral requirements for collateralized investments.

SECTION 14. PURCHASING ENTITIES

Investments not purchased directly from the issuer will be purchased from institutions licensed by the State of California as a broker/dealer, including:

- National or California State Chartered Banks
- Federal or California Chartered Savings Institutions
- Brokerage firms designated as a primary government dealer by the Federal Reserve Bank
- Member of a federally-regulated securities exchange
- Institutions licensed by the State of California as a broker/dealer
- Federal or state savings institutions or associations as defined in Finance Code Section 5102

The Treasurer or designee will maintain a current and eligible list of reputable primary and regional dealers, brokers and financial institutions with whom securities trading and placement of funds are authorized. A strong capital base credit worthiness, and, where applicable, a broker/dealer staff experienced in transactions with California local governments are the primary criteria for inclusion on the DCA's approved list.

Approved dealers and brokers shall be limited to primary dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule) and which provide: proof of Financial Industry Regulatory DCA (FINRA) certification; proof of California State registration; and a completed agency broker/dealer questionnaire. In addition, prior to approval and for every two years thereafter, approved dealers and brokers must provide: an audited financial statement; certification of receipt, review of and willingness to comply with the current Investment Policy; and certification of compliance with Rule G-37 of the Municipal Securities Rulemaking Board regarding limitations on political contributions to the Board of Directors of the DCA or to any candidate for these offices.

The Treasurer may remove a firm from the approved list at any time due to: any failure to comply with any of the above criteria; any failure to successfully execute a transaction; any change in broker/dealer staff; or any other action, event or failure to act which, in the sole discretion of the Treasurer is materially adverse to the best interests of the DCA.

SECTION 15. INVESTMENT SECURITY

To ensure a high degree of internal control, the DCA shall comply with the following:

- All securities purchased from dealers and brokers shall be held in safekeeping by the DCA's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the DCA's ownership. All transactions completed on a delivery versus pay basis (DVP).
- All trade confirmation shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction. All trade confirmation must be an original; copies of confirmations are not allowed. Any discrepancies will be brought to the attention of the Treasurer.

SECTION 16. PERFORMANCE REVIEW AND INTERNAL CONTROL

The Treasurer or designee shall maintain a system of internal controls designed to ensure compliance with the Investment Policy and to prevent losses due to fraud, employee error, and misrepresentations by third parties or unanticipated changes in financial markets. The internal control includes monitoring the activities of any subordinate officials acting on behalf of the DCA. Procedures should include references to individuals authorized to execute transactions or transfers, safekeeping agreements, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. As part of the annual audit, the DCA's external auditor will perform a review of investment transactions to verify compliance with policies and procedures.

SECTION 17. ETHICS AND CONFLICT OF INTEREST

All officers and employees involved in the investment process shall refrain from engaging in any personal business activity which could conflict with proper execution of investments subject to this Policy. Any material financial interests in financial institutions which do business with the DCA should be disclosed to the Executive Director of the DCA. All individuals involved in the investment process are required to report all gifts and income in accordance with California State Law.

SUMMARY TABLE OF INVESTMENT GUIDELINES AND ELIGIBLE SECURITIES

Authorized Investments	Maximum % Holdings	Purchase Restrictions	Maximum Maturity	Credit Quality
US Treasury Bonds, Bills and Notes	100%	N/A	5 Years	N/A
Federal Agency Bonds & Notes	100%	N/A	5 Years	N/A
Bankers' Acceptance	40%	5% per issuer ¹	180 days	<i>"A-1" or its equivalent or higher by an NRSRO</i>
Commercial Paper	25%	10% per issuer ¹	270 days	<i>Highest ranking or of the highest letter and number rating as provided by an NRSRO</i>
Medium Term Corporate Notes	30%	10% per issuer ¹ , US licensed and operating corporations	5 years	<i>A or its equivalent or higher by an NRSRO</i>
Negotiable CD	30%	5% per issuer ¹ , National or state chartered bank, S&L, or branch of foreign bank	5 years	<i>"A-1" (short-term) or "A" (long-term) or their equivalents or higher by an NRSRO</i>
Bank Deposit	30%	See California Government Code Section 53637	5 Years	<i>Collateralized/FDIC Insured in accordance with California Government Code</i>
Money Market Mutual Funds	20%	Gov't MMF, stable NAV	Daily Liquidity	<i>Highest ranking by two NRSROs or advisor requirements</i>

Authorized Investments	Maximum % Holdings	Purchase Restrictions	Maximum Maturity	Credit Quality
State of California, Local Agency Investment Fund (“LAIF”)	LAIF limit for operating accounts	Subject to California Government Code Section 16429.1 limitations	N/A	<i>N/A</i>
Municipal Bonds & Notes	40%	State of California, other 49 states, or California agencies	5 Years	<i>“A” or its equivalent or higher by an NRSRO</i>
Repurchase Agreements (“REPO”)	20%	Limited to primary dealers or financial institutions rated “A” or better by an NRSRO	270 days	<i>Collateralized (min 102% of funds invested) with US Government or federal agency securities with maximum 5 year maturities</i>
California Asset Management Program (“CAMP”)	40%	N/A	Daily Liquidity	<i>“AAAm” or its equivalent or higher by a NRSRO</i>
Supranationals	30%	Limited to IBRD, IFC, IADB	5 Years	<i>“AA” or its equivalent or higher by a NRSRO</i>
Asset-Backed Securities	20%	5% per issuer ¹	5 Years	<i>“AA” or its equivalent or higher by an NRSRO</i>

Notes:

1. Per issuer limits, when listed, are calculated across investment types at the parent company level.

RATING DESCRIPTION TABLE

Long Term Debt Ratings			
Credit Quality	Moody's	S&P	Fitch
Strongest Quality	Aaa	AAA	AAA
Strong Quality	Aa1/Aa2/Aa3	AA+/AA/AA-	AA
Good Quality	A1/A2/A3	A+/A/A-	A
Medium Quality	Baa1/Baa2/Baa3	BBB+/BBB/BBB-	BBB
Speculative	Ba1/Ba2/Ba3	BB+/BB/BB-	BB
Low	B1/B2/B3	B+/B/B-	B
Poor	Caa	CCC+	CCC
Highly Speculative	Ca/C	CCC/CCC-/CC	CC

Short Term Debt Ratings			
Credit Quality	Moody's	S&P	Fitch
Strongest Quality	P-1	A-1+	F1
Strong Quality		A-1	
Good Quality	P-2	A-2	F2
Medium Quality	P-3	A-3	F3

Note: Investment Grade ratings applies to securities with at least a medium credit quality or higher by one of the nationally recognize rating organization, anything below the medium credit quality is non- investment grade.

EXHIBIT A GLOSSARY

ACCRETION: Adjustment of the difference between the prices of a bond bought at an original discount and the par value of the bond.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises (GSEs), also known as U.S. Government instrumentalities. Securities issued by Government National Mortgage Association (GNMA) are considered true agency securities, backed by the full faith and credit of the U.S. Government. GSEs are financial intermediaries established by the federal government to fund loans to certain groups of borrowers, for example homeowners, farmers and students and are privately owned corporations with a public purpose. The most common GSEs are Federal Farm Credit System Banks, Federal Home Loan Banks, Federal Home Loan Mortgage Association, and Federal National Mortgage Association.

AMORTIZATION: Accounting procedure that gradually reduces the cost value of a limited life or intangible asset through periodic charges to income. For fixed assets, the term used is “depreciation”. It is common practice to amortize any premium over par value paid in the purchase of preferred stock or bond investments.

APPRECIATION: Increase in the value of an asset such as a stock bond, commodity or real estate.

ASKED PRICE: The price a broker/dealer offers to sell securities.

ASSET BACKED: A type of security that is secured by receivables, such as credit card and auto loans. These securities typically pay principal and interest monthly.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer. This money market instrument is used to finance international trade.

BASIS POINT: One-hundredth of one percent (i.e., 0.01%).

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investment.

BID PRICE: The price a broker/dealer offers to purchase securities.

BOND: A financial obligation for which the issuers promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

BOOK VALUE: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

BROKER: A broker acts as an intermediary between a buyer and seller for a commission and does not trade for his/her own risk and account or inventory.

CALLABLE SECURITIES: A security that can be redeemed by the issuer before the scheduled maturity date.

CASH EQUIVALENTS (CE): Highly liquid and safe instruments or investments that can be converted into cash immediately. Examples include bank accounts, money market funds, and Treasury bills.

CASH FLOW: An analysis of all changes that affect the cash account during a specified period.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATION (CMO): A type of mortgage-backed security that creates separate pools of pass-through rates for different classes of bondholders with varying maturities, called tranches. The repayments from the pool of pass-through securities are used to retire the bonds in the order specified by the bonds' prospectus.

COMMERCIAL PAPER: Short-term, unsecured, negotiable promissory notes of corporations.

CORPORATE NOTE: Debt instrument issued by a private corporation.

COUPON: The annual rate at which a bond pays interest.

CREDIT RATINGS: A grade given to a debt instrument that indicates its credit quality. Private independent rating services such as Standard & Poor's, Moody's and Fitch provide these

CREDIT RISK: The risk that an obligation will not be paid and a loss will result due to a failure of the issuer of a security.

CUSIP: Stands for Committee on Uniform Securities Identification Procedures. A CUSIP number identifies most securities, including: stocks of all registered U.S. and Canadian companies, and U.S. government and municipal bonds. The CUSIP system—owned by the American Bankers Association and operated by Standard & Poor's—facilitates the clearing and settlement process of securities. The number consists of nine characters (including letters and numbers) that uniquely identify a company or issuer and the type of security.

CURRENT YIELD: The annual interest on an investment divided by the current market value. Since the calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

CUSTODIAN: A bank or other financial institution that keeps custody of stock certificates and other assets.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own risk and account or inventory.

DEBENTURES: A bond secured only by the general credit of the issuers.

DELIVERY VERSUS PAYMENT (DVP): Delivery of securities with a simultaneous exchange of money for the securities.

DERIVATIVES: A financial instrument that is based on, or derived from, some underlying asset, reference date, or index.

DIRECT ISSUER: Issuer markets its own paper directly to the investor without use of an intermediary.

DISCOUNT: The difference between the cost of a security and its value at maturity when quoted at lower than face value.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns and risk profiles.

DURATION: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. Duration measures the price sensitivity of a bond to changes in interest rates.

EFFECTIVE RATE OF RETURN: The annualized rate of return on an investment considering the price paid for the investment, its coupon rate, and the compounding of interest paid.

$$\text{(Total Earnings / Average daily balance)} \times (365 / \# \text{ of days in the reporting period})$$

FACE VALUE: The principal amount owed on a debt instrument. It is the amount on which interest is computed and represents the amount that the issuer promises to pay at maturity.

FAIR VALUE: The amount at which a security could be exchanged between willing parties, other than in a forced or liquidation sale. If a market price is available, the fair value is equal to the market value.

FANNIE MAE: Trade name for the Federal National Mortgage Association (FNMA), a U.S. Government sponsored enterprise.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that provides insurance on bank deposits, guaranteeing deposits to a set limit per account, currently \$250,000.

FEDERAL FARM CREDIT BANK (FFCB): Government-sponsored enterprise that consolidates the financing activities of the Federal Land Banks, the Federal Intermediate Credit Banks and the Banks for Cooperatives. Its securities do not carry direct U.S. government guarantees.

FEDERAL FUNDS RATE: The rate of interest at which Federal funds are traded. This rate is considered to be the most sensitive indicator of the direction of interest rates, as it is currently pegged by the Federal Reserve through open-market operations.

FEDERAL GOVERNMENT AGENCY SECURITIES: Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored enterprise (currently made up of 12 regional banks) that regulates and lends funds and provides correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. Although the banks operate under federal charter with government supervision, the securities are not guaranteed by the U. S. Government.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC): Government sponsored enterprise that helps maintain the availability of mortgage credit for residential housing. FHLMC finances these operations by marketing guaranteed mortgage certificates and mortgage participation certificates. Its discount notes and bonds do not carry direct U.S. government guarantees.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): Government sponsored enterprise that is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted.

FEDERAL OPEN MARKET COMMITTEE (FOMC): A committee of the Federal Reserve Board, which establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

FEDERAL RESERVE SYSTEM: The central bank of the U.S. which consists of a seven member Board of Governors, 12 regional banks and about 5,700 commercial banks that are members.

FED WIRE: A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

FREDDIE MAC: Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. government sponsored enterprise.

GINNIE MAE: Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB): A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

GUARANTEED INVESTMENT CONTRACTS (GICS): An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

INTEREST RATE: The annual yield earned on an investment, expressed as a percentage.

INTEREST RATE RISK: The risk of gain or loss in market values of securities due to changes in interest-rate levels. For example, rising interest rates will cause the market value of portfolio securities to decline.

INVESTMENT AGREEMENTS: A contract providing for the lending of issuer funds to a financial institution that agrees to repay the funds with interest under predetermined specifications.

INVESTMENT GRADE (LONG TERM RATINGS): The minimum, high-quality ratings for long-term debt such as corporate notes. Investment Grade ratings are as follows: A3 (Moody's), A- (S&P), and A- (Fitch).

INVESTMENT PORTFOLIO: A collection of securities held by a bank, individual, institution or government DCA for investment purposes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash with minimum risk of principal.

LOCAL DCA INVESTMENT FUND (LAIF): An investment pool sponsored by the State of California and administered/managed by the State Treasurer. Local government units, with consent of the governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment. Interest earned is distributed by the State Controller to the participating governmental agencies on a quarterly basis.

LOCAL AGENCY INVESTMENT POOL: A pooled investment vehicle sponsored by a local agency or a group of local agencies for use by other local agencies.

MARKET RISK: The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates. Systematic risk of a security that is common to all securities of the same general class (stocks, bonds, notes, money market instruments) and cannot be eliminated by diversification (which may be used to eliminate non-systematic risk).

MARKET VALUE: The price at which a security is currently being sold in the market. See FAIR VALUE.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase agreements and reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date that the principal or stated value of a debt instrument becomes due and payable.

MEDIUM-TERM CORPORATE NOTES (MTNs): Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts either on a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION: The percent change in price for a 100 basis point change in yields. This is a measure of a portfolio's or security's exposure to market risk.

MONEY MARKET: The market in which short-term debt instruments (Treasury Bills, Discount Notes, Commercial Paper, Banker's Acceptances and Negotiable Certificates of Deposit) are issued and traded.

MORTGAGED BACKED SECURITIES: A type of security that is secured by a mortgage or collection of mortgages. These securities typically pay principal and interest monthly.

MUNICIPAL BONDS: Debt obligations issued by states and local governments and their agencies, including cities, counties, government retirement plans, school Agencies, state universities, sewer agency, municipally owned utilities and authorities running bridges, airports and other transportation facilities

MUTUAL FUND: An entity that pools money and can invest in a variety of securities that are specifically defined in the fund's prospectus.

NEGOTIABLE CERTIFICATE OF DEPOSIT: A large denomination certificate of deposit that can be sold in the open market prior to maturity.

NET PORTFOLIO YIELD: Calculation in which the 365-day basis equals the annualized percentage of the sum of all Net Earnings during the period divided by the sum of all Average Daily Portfolio Balances.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO): is a credit rating agency that issues credit ratings that the U.S Securities and Exchange Commission permits other financial firms to use for certain regulatory purposes.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit: Sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PAR VALUE: The amount of principal which must be paid at maturity. Also referred to as the face amount of a bond. See FACE VALUE.

PORTFOLIO: The collection of securities held by an individual or institution.

PREMIUM: The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. These dealers are authorized to buy and sell government securities in direct dealing with the Federal Reserve Bank of New York in its execution of market operations to carry out U.S. monetary policy. Such dealers must be qualified in terms of reputation, capacity, and adequacy of staff and facilities.

PRIME (SHORT TERM RATING): High-quality ratings for short-term debt such as commercial paper. Prime ratings are as follows: P1 (Moody's), A1 (S&P), and F1 (Fitch).

PRINCIPAL: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

PRIVATE PLACEMENTS: Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

PROSPECTUS: A legal document that must be provided to any prospective purchaser of a new securities offering registered with the Securities and Exchange Commission that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements (also known as an "official statement").

PRUDENT INVESTOR STANDARD: A standard of conduct for fiduciaries. Investments shall be made with judgment and care--under circumstances then prevailing, which persons of

prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

PUBLIC DEPOSIT: A bank that is qualified under California law to accept a deposit of public funds.

PURCHASE DATE: The date in which a security is purchased for settlement on that or a later date. Also known as the “trade date”.

RATE OF RETURN: 1) The yield which can be attained on a security based on its purchase price or its current market price. 2) Income earned on an investment, expressed as a percentage of the cost of the investment.

REALIZED GAIN (OR LOSS): Gain or loss resulting from the sale or disposal of a security.

REGIONAL DEALER: A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT (RP or REPO): A transaction in which a counterparty or the holder of securities (e.g. investment dealer) sells these securities to an investor (e.g. the DCA) with a simultaneous agreement to repurchase them at a fixed date. The security "buyer" (e.g. the DCA) in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate the “buyer” for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): The opposite of a repurchase agreement. A reverse repo is a transaction in which the DCA sells securities to a counterparty (e.g. investment dealer) and agrees to repurchase the securities from the counterparty at a fixed date. The counterparty in effect lends the seller (e.g. the DCA) money for the period of the agreement with terms of the agreement structured to compensate the buyer.

RISK: Degree of uncertainty of return on an asset.

SAFEKEEPING: A service that banks offer to clients for a fee, where physical securities are held in the bank’s vault for protection and book-entry securities are on record with the Federal Reserve Bank or Depository Trust Company in the bank’s name for the benefit of the client. As an agent for the client, the safekeeping bank settles securities transactions, collects coupon payments, and redeems securities at maturity or on the call date, if called.

SECURITIES AND EXCHANGE COMMISSION (SEC): DCA created by Congress to protect investors in securities transactions by administering securities legislation.

SECONDARY MARKET: A market for the repurchase and resale of outstanding issues following the initial distribution.

SECURITIES: Investment instruments such as notes, bonds, stocks, money market instruments and other instruments of indebtedness or equity.

SETTLEMENT DATE: The date on which a trade is cleared by delivery of securities against funds.

SPREAD: The difference between two figures or percentages. It may be the difference between the bid (price at which a prospective buyer offers to pay) and asked (price at which an owner offers to sell) prices of a quote, or between the amount paid when bought and the amount received when sold.

STRUCTURED NOTE: A complex, fixed-income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include “inverse floating rate” notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising and “dual index floaters”, which pay interest based on the relationship between two other interest rates, for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONALS: are international institutions that provide development financing, advisory services and/or financial services to their member countries to achieve the overall goal of improving living standards through sustainable economic growth. The Government Code allows local agencies to purchase the United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.

TIME DEPOSIT: A deposit with a California bank or savings and loan association for a specific amount and with a specific maturity date and interest rate. Deposits of up to \$250,000 are insured by FDIC. Deposits over \$250,000 are collateralized above the insurance with either government securities (at 110% of par value), first trust deeds (at 150% of par value), or letters of credit (at 105% of par value).

TOTAL RATE OF RETURN: A measure of a portfolio’s performance over time. It is the internal rate of return which equates the beginning value of the portfolio with the ending value, and includes interest earnings and realized and unrealized gains and losses on the portfolio. For bonds held to maturity, total return is the yield to maturity. $(\text{Net Invested Income} / \text{Time Weighted Invested Value}) \times (365 / \# \text{ of days in the reporting period})$

TRUSTEE OR TRUST COMPANY OR TRUST DEPARTMENT OF A BANK: A financial institution with trust powers that acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

UNDERWRITER: A dealer which purchases a new issue of municipal securities for resale.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

U.S. GOVERNMENT AGENCY SECURITIES: Securities issued by U.S. government agencies, most of which are secured only by the credit worthiness of the particular agency. See AGENCIES.

U.S. TREASURY OBLIGATIONS: Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are the benchmark for interest rates on all other securities in the U.S. The Treasury issues both discounted securities and fixed coupon notes and bonds. The income from Treasury securities is exempt from state and local, but not federal, taxes.

TREASURY BILLS: Securities issued at a discount with initial maturities of one year or less. The Treasury currently issues three-month and six-month Treasury bills at regular weekly auctions. It also issues very short-term “cash management” bills as needed to smooth out cash flows.

TREASURY NOTES: Intermediate-term coupon-bearing securities with initial maturities of one year to ten years.

TREASURY BOND: Long-term coupon-bearing securities with initial maturities of ten years or longer.

UNREALIZED GAIN (OR LOSS): Gain or loss that has not become actual. It becomes a realized gain (or loss) when the security in which there is a gain or loss is actually sold. See REALIZED GAIN (OR LOSS).

VOLATILITY: Characteristic of a security, commodity or market to rise or fall sharply in price within a short-term period.

WATERFIX BONDS: Those bonds issued by the California Department of Water Resources to fund the California WaterFix, a conveyance project to further the co-equal goals of the State Legislature, pursuant to Section 85054 of the California Water Code.

WEIGHTED AVERAGE MATURITY: The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

YIELD: The annual rate of return on an investment expressed as a percentage of the investment. See CURRENT YIELD; YIELD TO MATURITY.

YIELD CURVE: Graph showing the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

YIELD TO MATURITY: Concept used to determine the rate of return if an investment is held to maturity. It takes into account purchase price, redemption value, time to maturity, coupon yield, and the time between interest payments. It is the rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.



DCA

DELTA CONVEYANCE DESIGN & CONSTRUCTION AUTHORITY

Statement of Investment Policy and Authority to Invest

Statement of Investment Policy and Authority to Invest
Agenda Item 6c | Attachment 3

June 20, 2024

Investment Policy and Authority to Invest

- **Sections 53600 et seq. of the California Government Code expressly grants the authority to the Board of Directors to invest public funds and that authority may be delegated to the Treasurer for a one-year period.**

Statement of Investment Policy – Key Changes

	FY2023/24	FY2024/25	Rationale
§10.14	A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond	A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivisions (1) or (2) above, the following limitations apply	To align the Policy's requirements with the current Code language

Recommendation

- Approve the Statement of Investment Policy for fiscal year 2024/25; and
- Delegate authority to the Treasurer to invest DCA's funds for fiscal year 2024/25.

Board Memo

Contact: Graham Bradner, Executive Director
Josh Nelson, General Counsel

Date: June 20, 2024 Board Meeting

Item: 6d

Subject: DCA Board of Directors Officers Update

Executive Summary:

Terms for the current Board officers will be ending this fiscal year, and the Board of Directors will be electing new officers at its first meeting next fiscal year. As Director Palmer is transitioning to an Alternate Director, there will be a vacancy in the office of President from July 1st until the election of a new President. Vice President Milobar will be the acting President during this time period.

Detailed Report:

The DCA Amended Joint Powers Agreement (JPA) and DCA Bylaws provide that Board officers serve a two-year term. The JPA and Bylaws require the Board to elect new officers at the Board's first meeting of each two-year cycle. Accordingly, staff will be agendizing officer elections for the July or August meeting (depending on the Board's direction for the meeting cadence item) to transition to the new slate of officers. With Director Palmer's move to an Alternate Director, there will be a vacancy in the office of President from July 1st through the election of a new President. Based on the JPA and Bylaws, Vice President Milobar will be the acting President during this time period.

Staff wished to highlight this for the Board as the President sometimes is asked to provide administrative approvals for the Executive Director's agreement or other matters as outlined in applicable DCA policies. Staff appreciates Vice President Milobar filling this role until the new officers can be elected.

Recommended Action:

Information only.

July 2024						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2024						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September 2024						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October 2024						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November 2024						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 2024						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

January 2025						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2025						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March 2025						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

April 2025						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May 2025						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June 2025						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Calendar Legend

Board Meeting	Holidays
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Federal and State Observed Holidays

(Please refer to your parent company's Holiday schedule for a list of their approved observed days)

- July 4 – Independence Day
- September 2 – Labor Day
- October 14 – Indigenous Peoples Day
- November 11 – Veterans Day
- November 28 – Thanksgiving
- November 29 – Day after Thanksgiving

- December 25 – Hanukkah
- December 25 – Christmas
- December 26 – Kwanzaa
- January 1 – New Years Day
- January 20 – Martin Luther King, Jr. Day
- January 29 – Lunar New Year

- February 17 – Presidents Day
- March 31 – Cesar Chavez Day
- May 26 – Memorial Day
- June 19 – Juneteenth



Fiscal Year 2024/25 Board Meeting Schedule

Monthly

Meet monthly and cancel meetings as needed.

Bi-Monthly

Meet every other month, starting in August. Schedule special meetings as needed.

Quarterly

Meet quarterly, starting in September and take the summer off. Schedule special meetings as needed.

Twice Yearly

Per the JPA, the Board must meet at least twice yearly. The next meeting would be in December.

Board Memo

Contact: Graham Bradner, Executive Director

Date: June 20, 2024 Board Meeting **Item:** 7

Subject: Adoption of Resolution Commending and Thanking Director Palmer for Her Service

Executive Summary:

Staff recommends the Board adopt a Resolution Commending and Thanking Director Palmer for her service to the DCA.

Detailed Report:

President Sarah Palmer has served on the DCA's Board of Directors since its formation in 2018 as a representative of the State Water Contractors and Zone 7 Water Agency/Alameda County Water District. Due to a planned rotation in the Zone 7/ACWD Board seat, President Palmer will be an Alternate Director beginning July 1st.

This item is an opportunity to recognize and thank President Palmer for her service on the Board of Directors. President Palmer's efforts have been essential to the formation and development of the DCA. Most recently, Director Palmer served as the DCA Board President for the prior two years. Under her leadership, the DCA completed conceptual engineering work in support of the Department of Water Resources' consideration and recent approval of the Delta Conveyance Project through CEQA. President Palmer's role as Chair of the Stakeholder Engagement Committee was essential to the formulation of conceptual alternatives that minimize effects to the Delta while accomplishing the goals established for the project by the Department of Water Resources. In addition, the DCA has continued to mature and develop as its organization, including updating the budget development process with the recently formed Finance Committee. These efforts would not have been possible without President Palmer's guidance.

Staff thanks President Palmer for her efforts and looks forward to continuing working with her as an Alternate Director and member of the DCA Finance Committee.

Recommended Action:

Staff recommends the Board adopt a Resolution Commending and Thanking Director Palmer for Her Service to the DCA.

Attachments:

Attachment 1: Resolution No. 24-XX Commending and Thanking Sarah Palmer for Her Service on the DCA Board of Directors

**BOARD OF DIRECTORS OF THE DELTA CONVEYANCE
DESIGN AND CONSTRUCTION AUTHORITY
RESOLUTION NO. 24-XX**

**Introduced by Director xxxx
Seconded by Director xxxx**

COMMENDING AND THANKING SARAH PALMER FOR HER SERVICE ON THE BOARD

WHEREAS, Sarah Palmer has served as a Director on the Delta Conveyance Design and Construction Authority (“DCA”) since its formation in 2018 and as President of the Board of Directors from 2023-present; and

WHEREAS, during this time, the Board of Directors of the DCA established initial policies, oversaw the development of the DCA’s offices and Board chambers, and generally created a new agency dedicated to professional and competent service recognizing the importance of transparency and stakeholder input; and

WHEREAS, Director Palmer and her colleagues guided the DCA through the transition from California WaterFix to its role of providing engineering and related support to the Department of Water Resources’ consideration and recent approval of the Delta Conveyance Project (“DCP”); and

WHEREAS, Director Palmer has been instrumental in the work of the DCA and its continued development as an organization, including chairing the DCA Stakeholder Engagement Committee and appointing the DCA Finance Committee;

WHEREAS, this Board wishes to express its appreciation to Director Palmer for the commitment, talent, good judgment, and wisdom she has brought to the Board of Directors and the DCA during her years of service;

WHEREAS, this Board looks forward to Director Palmer continued service to the DCA as an Alternate Director and member of the DCA Finance Committee;

Now, therefore, be it resolved that the Board of Directors hereby commends and thanks Sarah Palmer for her service on the Board of Directors, a position she has occupied with honor, dignity, and distinction.

* * * * *

This Resolution was passed and adopted this 20th day of June 2024, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Sarah Palmer, Board President

Attest:

Gary Martin, Secretary

General Counsel's Report

Contact: Josh Nelson, General Counsel

Agenda Date: June 20, 2024, Board Meeting

Item No. 8a

Subject: Status Update

Summary:

The General Counsel continues to assist the DCA on legal matters as requested.

Detailed Report:

The General Counsel continues to provide legal assistance as requested. This has included assisting with the Finance Committee meeting earlier this month and the items on the agenda. In addition, we have assisted with reviewing a number of the management plans currently under development.

Our office also has assisted with confidential matters.

Action:

Information, only.



Treasurer's Report

Contact: Katano Kasaine, Treasurer

Date: June 20, 2024

Item No. 8b

Subject: Treasurer's Monthly Report, April/May 2024

Summary:

The beginning cash balance for the Delta Conveyance Design and Construction Joint Powers Authority (Authority) as of April 1, 2024 was \$2,203,109. Receipts for April through May 2024 totaled \$6,620,328 representing contributions from the Department of Water Resources, Delta Conveyance Office (DCO), for payment of the Authority's obligations. During the same period, disbursements totaled \$6,771,373 resulting in an ending cash balance of \$2,052,064 as of May 31, 2024.

As of May 31, 2024, the Authority's outstanding receivables amounted to \$850,989 consisting of 6 invoices issued to the DCO. Deposits, comprising of office lease security and court ordered entry permit reserves, and prepaid expenses were \$1,023,073 and \$101,620, respectively, as of May 31, 2024. For the same period, balances for accounts payable and advances were \$2,106,327 and \$800,000, respectively. The net position as of May 31, 2024, was \$1,121,419, which included \$1,023,073 of restricted net position from deposits and \$98,346 of unrestricted net position.

Attachment 1 consists of financial statements for the two months ended May 2024, a Schedule of Invoices Paid through May 2024, and Aging Schedules for Accounts Payable and Accounts Receivable as of May 31, 2024.

Detailed Report:

See attached statements.

Recommended Action:

Information only.

Attachments:

Attachment 1 – April/May 2024 Authority Financial Statements



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Statement of Net Position

As of May 31, 2024

Assets:	
Cash	\$ 2,052,064
Accounts receivable	850,989
Deposits ⁽¹⁾	1,023,073
Prepays	<u>101,620</u>
Total assets	<u>\$ 4,027,746</u>
Liabilities:	
Accounts payable	\$ 2,106,327
Advance for prepayments	<u>800,000</u>
Total liabilities	2,906,327
Net position:	
Restricted	1,023,073
Unrestricted	<u>98,346</u>
Total net position	1,121,419
Total liabilities and net position	<u>\$ 4,027,746</u>

⁽¹⁾ Includes office lease and court ordered entry permit deposits for surveys, geological drilling and exploration.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY
 Statements of Cash Receipts and Disbursements

	Apr. 1, 2024 <u>May 31, 2024</u>	Year to Date <u>May 31, 2024</u>
Receipts:		
Contributions ⁽¹⁾	\$ 6,620,328	\$ 29,725,492
Disbursements:		
Program management office		
Executive office	749,067	2,336,028
Community engagement	126,156	755,580
Program controls	1,017,192	3,618,156
Administration	677,561	3,006,888
Procurement	179,352	465,938
Property	99,130	383,202
Permitting management	119,817	440,089
Health and safety	137,600	290,114
Quality management	134,798	325,849
Program initiation		
Engineering	2,000,364	10,154,007
Fieldwork	1,530,336	7,310,414
Total disbursements	<u>6,771,373</u>	<u>29,086,265</u>
Net changes in cash	(151,045)	639,227
Cash at July 1, 2023	—	1,412,837
Cash at April 1, 2024	<u>2,203,109</u>	<u>—</u>
Cash at May 31, 2024	<u>\$ 2,052,064</u>	<u>\$ 2,052,064</u>

⁽¹⁾ DWR contributions invoiced through the DCO.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY
 Statements of Revenues, Expenses and Changes in Net Position

	Apr. 1, 2024 May 31, 2024	Year to Date May 31, 2024
	<u> </u>	<u> </u>
Revenues:		
Contributions ⁽¹⁾	\$ 3,777,831	\$ 27,672,458
Expenses:		
Program management office		
Executive office	507,997	2,212,222
Community engagement	45,030	669,827
Program controls	561,682	3,345,031
Administration	499,622	2,868,092
Procurement	138,258	449,068
Property	111,669	382,628
Permitting management	52,282	411,709
Health and safety	59,200	308,062
Quality management	95,412	331,936
Program initiation		
Engineering	1,163,545	9,762,045
Fieldwork	565,782	6,875,649
	<u>3,800,479</u>	<u>27,616,269</u>
Total expenses		
	<u>3,800,479</u>	<u>27,616,269</u>
Changes in net position	(22,648)	56,189
Net position at June 30, 2023 ⁽²⁾	—	1,065,230
Net position at March 31, 2024 ⁽²⁾	1,144,067	—
	<u>1,144,067</u>	<u> </u>
Net position at May 31, 2024	\$ <u>1,121,419</u>	\$ <u>1,121,419</u>

* Amounts may include prior month accruals that were not previously captured due to timing.

⁽¹⁾ Includes DWR contributions invoiced through the DCO as well costs incurred by DWR in support of the planning and environmental phase of the Delta Conveyance Project that were not billed to the Authority.

⁽²⁾ Beginning net position was restated to reflect prior year cash disbursements recorded as expenses, which should have been recorded as deposits.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Schedule of Invoices Paid
for the Eleven Months Ended May 31, 2024

Vendor	Invoice #	Invoice Date	Payment Date	Period of Expense	Invoice Amount	Amount Paid
1 Consolidated Communications	20230615	06/15/23	07/05/23	06/15/23-07/14/23	\$ 2,847	\$ 2,847
2 AT&T	1434120802	06/19/23	07/05/23	06/20/23-07/18/23	1,976	1,976
3 Caltronics Business Systems	3807031	06/22/23	07/05/23	05/21/23-06/20/23	1,997	1,997
4 DirectApps Inc. (Launch Consulting)	20920	05/11/23	07/10/23	04/01/23-04/30/23	15,319	15,319
5 AECOM Technical Services	2000756711	05/18/23	07/10/23	04/01/23-04/30/23	152,172	152,172
6 Best, Best, & Krieger	965664	05/18/23	07/10/23	04/01/23-04/30/23	17,067	17,067
7 Parsons	2305C141	05/25/23	07/10/23	04/01/23-04/28/23	509,618	509,618
8 AECOM Technical Services	2000755321	05/23/23	07/10/23	04/01/23-04/30/23	18,182	18,182
9 AirTouch Cellular (Verizon)	9937499359	06/17/23	07/10/23	05/18/23-06/17/23	216	216
10 Prime US-Park Tower LLC	20230701	07/01/23	07/10/23	07/01/23-07/31/23	102,670	102,670
11 Carahsoft Technology Corp	IN1408073	06/01/23	07/14/23	06/05/23-06/04/26	4,651	4,651
12 Jacobs	W8X97005-10	05/23/23	07/14/23	04/01/23-04/28/23	807,335	807,335
13 Metropolitan Water District of So. Ca	501873	05/11/23	07/14/23	04/01/23-04/30/23	31,174	31,174
14 Hamner, Jewell & Associates	202612	05/10/23	07/14/23	04/01/23-04/30/23	1,464	1,464
15 Bank of America	N/A**	07/21/23	07/21/23	07/21/23	482	482
16 Alliant Insurance Services, Inc.	2351909	06/30/23	08/02/23	07/01/23-07/01/24	7,928	7,928
17 Alliant Insurance Services, Inc.	2351910	06/30/23	08/02/23	07/01/23-07/01/24	1,566	1,566
18 Bank of America	N/A**	08/02/23	08/02/23	08/02/23	8,330	8,330
19 Hamner, Jewell & Associates	202658	06/02/23	08/07/23	05/01/23-05/31/23	1,379	1,379
20 Bender Rosenthal, Inc.	23042-5	06/08/23	08/07/23	05/01/23-05/26/23	43,793	43,793
21 Associated Right of Way Services, Inc.	21394	06/06/23	08/07/23	05/01/23-05/31/23	1,860	1,860
22 Gwen Buchholz, Permit Engineer, Inc.	2223-11	06/09/23	08/07/23	05/01/23-05/31/23	15,125	15,125
23 AECOM Technical Services	2000765092	06/08/23	08/07/23	05/01/23-05/31/23	538	538
24 AECOM Technical Services	2000765346	06/08/23	08/07/23	05/01/23-05/31/23	38,305	38,305
25 AECOM Technical Services	2000765343	06/09/23	08/07/23	04/17/23-05/31/23	168,621	168,621
26 Baker Tilly US, LLP	BT2460631	06/09/23	08/07/23	05/01/23-05/31/23	45,426	45,426
27 VMA Communications	DCA23April	04/30/23	08/07/23	04/01/23-04/30/23	38,163	38,163
28 VMA Communications	DCA23May	05/31/23	08/07/23	05/01/23-05/31/23	49,425	49,425
29 Best, Best, & Krieger	967355	06/09/23	08/07/23	05/01/23-05/31/23	23,820	23,820
30 Santa Clara Valley Water District	16	05/08/23	08/07/23	04/01/23-04/28/23	15,470	15,470
31 Jacobs	W8X97005-11	06/09/23	08/07/23	04/29/23-05/26/23	998,858	998,858
32 Parsons	2306B601	06/12/23	08/07/23	04/29/23-05/26/23	515,079	515,079
33 Santa Clara Valley Water District	17	06/08/23	08/07/23	04/29/23-05/26/23	14,419	14,419
34 AirTouch Cellular (Verizon)	9939870561	07/17/23	08/07/23	06/18/23-07/17/23	216	216
35 Caltronics Business Systems	3833168	07/25/23	08/07/23	06/21/23-07/20/23	1,908	1,908
36 Prime US-Park Tower LLC	20230801	07/25/23	08/07/23	08/01/23-08/31/23	102,670	102,670
37 Alliant Insurance Services, Inc.	2351908	06/30/23	08/09/23	07/01/23-07/01/24	27,549	27,549
38 Consolidated Communications	20230715	07/15/23	08/09/23	07/15/23-08/14/23	2,847	2,847
39 AT&T	0935511809	07/19/23	08/09/23	07/19/23-08/18/23	1,976	1,976
40 Gwen Buchholz, Permit Engineer, Inc.	2223-12	07/05/23	08/16/23	06/01/23-06/30/23	16,000	16,000
41 AECOM Technical Services	2000776183	07/07/23	08/25/23	06/01/23-06/30/23	60,943	60,943
42 Associated Right of Way Services, Inc.	21522	07/05/23	08/25/23	06/01/23-06/30/23	1,961	1,961
43 Santa Clara Valley Water District	18	07/10/23	08/25/23	05/27/23-06/30/23	19,696	19,696
44 Bender Rosenthal, Inc.	23042-6	07/12/23	08/25/23	05/27/23-06/30/23	47,248	47,248
45 Baker Tilly US, LLP	BT2478918	07/07/23	08/25/23	06/01/23-06/30/23	44,500	44,500
46 IRIS Intelligence, LLC	WYDCCA01-001r5	06/30/23	08/25/23	06/01/23-05/31/24	44,800	44,800
47 Keogh Multimedia	MK-2023-03	07/06/23	08/25/23	04/01/23-06/30/23	634	634
48 VMA Communications	DCA23June	06/30/23	08/25/23	06/01/23-06/30/23	46,661	46,661
49 Best, Best, & Krieger	970507	07/17/23	08/25/23	06/01/23-06/30/23	17,626	17,626
50 Lux Bus America Co.	85377	08/22/23	08/30/23	08/21/23	1,395	1,395
51 Metropolitan Water District of So. Ca	501887	06/29/23	09/06/23	05/01/23-05/31/23	19,034	19,034
52 Consolidated Communications	20230815	08/15/23	09/06/23	08/15/23-09/14/23	2,847	2,847
53 AirTouch Cellular (Verizon)	9942261773	08/17/23	09/06/23	07/18/23-08/17/23	216	216
54 AT&T	8467081803	08/19/23	09/06/23	08/19/23-09/18/23	1,976	1,976
55 Prime US-Park Tower LLC	20230901	08/22/23	09/06/23	09/01/23-09/30/23	102,670	102,670
56 Jacobs	W8X97005-12	07/20/23	09/18/23	04/29/23-06/30/23	1,351,892	1,351,892
57 Hamner, Jewell & Associates	202760	07/11/23	09/18/23	06/01/23-06/30/23	3,139	3,139
58 Parsons	2307B106	07/24/23	09/18/23	05/27/23-06/30/23	707,641	707,641
59 Metropolitan Water District of So. Ca	501890	07/27/23	09/18/23	06/01/23-06/30/23	22,474	22,474
60 Metropolitan Water District of So. Ca	501891	07/27/23	09/18/23	06/01/23-06/30/23	3,752	3,752
61 AECOM Technical Services	2000781214	07/20/23	09/22/23	05/01/23-06/30/23	1,790,548	1,790,548
62 Bender Rosenthal, Inc.	23042-7	08/04/23	09/22/23	07/01/23-07/28/23	25,763	25,763
63 Associated Right of Way Services, Inc.	21584	08/03/23	09/22/23	07/01/23-07/31/23	378	378

**Auto-withdrawal for Bank of America Line of Credit fee.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Schedule of Invoices Paid
for the Eleven Months Ended May 31, 2024
(Continued)

Vendor	Invoice #	Invoice Date	Payment Date	Period of Expense	Invoice Amount	Amount Paid
64 Baker Tilly US, LLP	BT2501233	08/04/23	09/22/23	07/01/23-07/31/23	48,060	48,060
65 Lux Bus America Co.	86344	09/08/23	09/22/23	09/06/23	1,579	1,579
66 AECOM Technical Services	2000789980	08/14/23	09/27/23	07/01/23-07/31/23	47,157	47,157
67 Lux Bus America Co.	87184	09/20/23	10/02/23	09/19/23-09/19/23	1,823	1,823
68 Caltronics Business Systems	3881970	09/21/23	10/02/23	07/21/23-07/31/23	675	675
69 Caltronics Business Systems	3882017	09/21/23	10/02/23	08/01/23-08/31/23	2,325	2,325
70 Caltronics Business Systems	3882037	09/21/23	10/02/23	09/01/23-09/30/23	3,472	3,472
71 Santa Clara Valley Water District	19	08/07/23	10/04/23	07/01/23-07/28/23	3,693	3,693
72 Gwen Buchholz, Permit Engineer, Inc.	2324-01	08/15/23	10/04/23	07/01/23-07/31/23	7,375	7,375
73 AECOM Technical Services	2000790522	08/14/23	10/04/23	07/01/23-07/31/23	242,126	242,126
74 AECOM Technical Services	2000790526	08/14/23	10/04/23	07/01/23-07/31/23	36,272	36,272
75 Jacobs	W8X97006-01	08/15/23	10/04/23	07/01/23-07/28/23	785,844	785,844
76 110 Holdings, LLC (Launch Consulting)	21272	07/13/23	10/06/23	06/01/23-06/30/23	17,604	17,604
77 110 Holdings, LLC (Launch Consulting)	21098	06/09/23	10/06/23	05/01/23-05/31/23	47,774	47,774
78 Consolidated Communications	20230915	09/15/23	10/06/23	09/15/23-10/14/23	2,847	2,847
79 AirTouch Cellular (Verizon)	9944665501	09/17/23	10/06/23	08/18/23-09/17/23	216	216
80 Neumann Ltd	9348	08/31/23	10/06/23	08/30/23-08/30/23	1,523	1,523
81 Prime US-Park Tower LLC	20231001	09/27/23	10/06/23	10/01/23-10/31/23	102,670	102,670
82 Caltronics Business Systems	3886416	09/27/23	10/06/23	09/01/23-09/30/23	2,475	2,475
83 Convergent Systems	43432	07/05/23	10/11/23	07/01/23-09/30/23	587	587
84 Lux Bus America Co.	87777	09/28/23	10/11/23	09/27/23-09/27/23	1,825	1,825
85 Parsons	2308B056	08/31/23	10/23/23	07/01/23-07/28/23	550,555	550,555
86 Metropolitan Water District of So. Ca	501894	08/17/23	10/23/23	07/01/23-07/31/23	13,852	13,852
87 Caltronics Business Systems	3893609	10/04/23	10/23/23	10/01/23-10/31/23	2,712	2,712
88 Lux Bus America Co.	88935	10/12/23	10/23/23	10/11/23-10/11/23	1,710	1,710
89 110 Holdings, LLC (Launch Consulting)	21446	08/16/23	10/25/23	07/01/23-07/31/23	23,568	23,568
90 Hamner, Jewell & Associates	202885	08/18/23	10/25/23	07/01/23-07/31/23	3,697	3,697
91 Bender Rosenthal, Inc.	23042-8	09/05/23	10/25/23	07/01/23-07/28/23	30,209	30,209
92 Associated Right of Way Services, Inc.	21710	09/07/23	10/25/23	08/01/23-08/31/23	1,069	1,069
93 Best, Best, & Krieger	974965	09/11/23	10/25/23	08/01/23-08/31/23	20,700	20,700
94 Gwen Buchholz, Permit Engineer, Inc.	2324-02	09/15/23	10/25/23	08/01/23-08/31/23	14,875	14,875
95 Jacobs	W8X97006-02	09/20/23	10/25/23	07/01/23-08/25/23	1,059,614	1,059,614
96 Santa Clara Valley Water District	20	09/07/23	10/25/23	07/29/23-08/25/23	3,871	3,871
97 Convergent Systems	43655	09/18/23	11/03/23	07/01/23-09/30/23	22	22
98 Parsons	2309B380	09/14/23	11/03/23	07/29/23-08/25/23	641,688	641,688
99 ACWA	20231004	10/04/23	11/03/23	01/01/24-12/31/24	820	820
100 ACWA	INV012311	08/23/23	11/03/23	11/29/23-11/29/23	1,600	1,600
101 ACWA	FC23-INV-781	08/23/23	11/03/23	11/29/23-11/29/23	475	475
102 ACWA	FC23-INV-782	08/23/23	11/03/23	11/29/23-11/29/23	475	475
103 Consolidated Communications	20231015	10/15/23	11/08/23	10/15/23-11/14/23	2,847	2,847
104 AT&T	0730672806	09/19/23	11/08/23	09/19/23-10/18/23	1,976	1,976
105 AT&T	8449633804	10/19/23	11/08/23	10/19/23-11/18/23	1,976	1,976
106 Prime US-Park Tower LLC	20231101	10/23/23	11/08/23	11/01/23-11/30/23	102,670	102,670
107 AECOM Technical Services	2000801515	09/15/23	11/15/23	08/01/23-08/31/23	47,615	47,615
108 Metropolitan Water District of So. Ca	501900	09/21/23	11/15/23	08/01/23-08/31/23	20,280	20,280
109 Commuter Industries, Inc.	230117	09/29/23	11/15/23	09/01/23-09/01/23	169	169
110 Commuter Industries, Inc.	230118	09/29/23	11/15/23	06/13/23-06/13/23	94	94
111 Commuter Industries, Inc.	230119	09/29/23	11/15/23	05/19/23-05/19/23	168	168
112 Keogh Multimedia	MK-2023-04	10/03/23	11/15/23	07/01/23-09/30/23	1,121	1,121
113 AirTouch Cellular (Verizon)	9947095099**	10/17/23	11/15/23	09/18/23-10/17/23	2,240	248
114 Convergent Systems	43917	10/05/23	11/17/23	10/01/23-12/31/23	609	609
115 Associated Right of Way Services, Inc.	21786	10/04/23	11/17/23	09/01/23-09/30/23	2,142	2,142
116 Gwen Buchholz, Permit Engineer, Inc.	2324-03	10/13/23	11/17/23	09/01/23-09/30/23	11,500	11,500
117 Hamner, Jewell & Associates	202935	09/13/23	11/17/23	08/01/23-08/31/23	2,010	2,010
118 Commuter Industries, Inc.	230128	10/15/23	11/17/23	10/12/23-10/12/23	94	94
119 Baker Tilly US, LLP	BT2531429	09/16/23	11/17/23	08/01/23-08/31/23	48,184	48,184
120 Baker Tilly US, LLP	BT2562445	10/16/23	11/17/23	09/01/23-09/30/23	48,060	48,060
121 e-Builder	14846	10/31/23	11/17/23	10/26/23-10/25/24	153,861	153,861
122 Caltronics Business Systems	3918517	11/02/23	11/17/23	11/01/23-11/30/23	2,569	2,569
123 ACWA	FC23-INV-995	11/10/23	11/17/23	11/29/23-11/29/23	265	265
124 Best, Best, & Krieger	973617	08/31/23	11/29/23	07/01/23-07/31/23	21,717	21,717
125 Jacobs	W8X97006-03	10/13/23	11/29/23	08/26/23-09/29/23	1,248,149	1,248,149
126 Parsons	2310A643	10/19/23	11/29/23	08/21/23-09/29/23	768,100	768,100

** In November 2023, DCO disallowed \$1,992 of phone charges.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Schedule of Invoices Paid
for the Eleven Months Ended May 31, 2024
(Continued)

Vendor	Invoice #	Invoice Date	Payment Date	Period of Expense	Invoice Amount	Amount Paid
127 AECOM Technical Services	2000802870	09/15/23	12/06/23	07/01/23-08/31/23	749,820	749,820
128 AECOM Technical Services	2000803493	09/15/23	12/06/23	07/01/23-08/31/23	139,349	139,349
129 110 Holdings, LLC (Launch Consulting)	214400	10/06/23	12/06/23	08/01/23-08/31/23	23,925	23,925
130 Santa Clara Valley Water District	21	10/04/23	12/06/23	08/26/23-09/29/23	10,235	10,235
131 AECOM Technical Services	2000814727	10/24/23	12/06/23	09/01/23-09/30/23	42,578	42,578
132 onPar Advisors LLC	OPIN0178	11/19/23	12/06/23	11/02/23-11/01/24	48,622	48,622
133 Consolidated Communications	20231115	11/15/23	12/06/23	11/15/23-12/14/23	2,847	2,847
134 AT&T	9050194805	11/19/23	12/06/23	11/19/23-12/18/23	1,976	1,976
135 AirTouch Cellular (Verizon)	9949534528	11/17/23	12/06/23	10/18/23-11/17/23	216	216
136 Prime US-Park Tower LLC	20231201	11/27/23	12/06/23	12/01/23-12/31/23	102,670	102,670
137 110 Holdings, LLC (Launch Consulting)	21760	10/13/23	12/13/23	09/01/23-09/30/23	22,875	22,875
138 Metropolitan Water District of So. Ca	501910	10/16/23	12/13/23	09/01/23-09/30/23	20,648	20,648
139 Lux Bus America Co.	91254	11/13/23	12/13/23	11/13/23-11/13/23	1,278	1,278
140 Lux Bus America Co.	91981	11/21/23	12/13/23	11/14/23-11/14/23	1,659	1,659
141 Lux Bus America Co.	91988	11/21/23	12/13/23	11/15/23-11/15/23	1,665	1,665
142 AECOM Technical Services	2000814915	10/26/23	12/20/23	09/01/23-09/30/23	53,285	53,285
143 Bender Rosenthal, Inc.	23042-9	10/09/23	12/20/23	08/26/23-09/29/23	21,670	21,670
144 Best, Best, & Krieger	978429	10/27/23	12/20/23	09/01/23-09/30/23	17,172	17,172
145 Santa Clara Valley Water District	22	11/01/23	12/20/23	09/30/23-10/27/23	1,013	1,013
146 AECOM Technical Services	2000814778	10/25/23	12/20/23	08/01/23-09/30/23	935,034	935,034
147 110 Holdings, LLC (Launch Consulting)	21951	11/10/23	12/20/23	10/01/23-10/31/23	23,219	23,219
148 Parsons	2311B148	11/13/23	12/20/23	09/30/23-10/27/23	625,132	625,132
149 Caltronics Business Systems	3943729	12/04/23	12/20/23	12/01/23-12/31/23	2,523	2,523
150 Hamner, Jewell & Associates	202983	10/11/23	12/28/23	09/01/23-09/30/23	3,928	3,928
151 Best, Best, & Krieger	979076	11/05/23	12/28/23	10/01/23-10/31/23	21,528	21,528
152 iSpring Solutions, Inc.	IS-011458	12/05/23	12/28/23	12/01/23-11/30/24	8,613	8,613
153 Jacobs	W8X97006-04	11/07/23	01/03/24	09/13/23-10/27/23	911,934	911,934
154 VMA Communications	DCA23July	07/31/23	01/03/24	07/01/23-07/31/23	66,088	66,088
155 VMA Communications	DCA23Aug	08/31/23	01/03/24	08/01/23-08/31/23	28,375	28,375
156 Lux Bus America Co.	89852	10/24/23	01/03/24	10/16/23-10/16/23	300	300
157 AVI-SPL LLC	2087546	11/10/23	01/08/24	08/07/23-08/06/24	13,051	13,051
158 Consolidated Communications	20231215	12/15/23	01/08/24	12/15/23-01/14/24	2,847	2,847
159 VMA Communications	DCA23Sept	09/30/23	01/12/24	09/01/23-09/30/23	38,213	38,213
160 Bender Rosenthal, Inc.	23042-10	11/08/23	01/12/24	09/30/23-10/27/23	13,638	13,638
161 Gwen Buchholz, Permit Engineer, Inc.	2324-04	11/14/23	01/12/24	10/01/23-10/31/23	7,500	7,500
162 Commuter Industries, Inc.	230154	11/17/23	01/12/24	11/17/23-11/17/23	256	256
163 Commuter Industries, Inc.	230160	11/22/23	01/12/24	11/22/23-11/22/23	281	281
164 Commuter Industries, Inc.	230158	11/21/23	01/12/24	11/21/23-11/21/23	109	109
165 AT&T	420875801	12/19/23	01/12/24	12/19/23-01/18/24	1,976	1,976
166 AirTouch Cellular (Verizon)	9951995985	12/17/23	01/12/24	11/18/23-12/17/23	2,207	2,207
167 Prime US-Park Tower LLC	20240101	12/29/23	01/12/24	01/01/24-01/31/24	99,002	99,002
168 AECOM Technical Services	2000826345	11/28/23	01/17/24	10/01/23-10/31/23	47,811	47,811
169 AECOM Technical Services	2000826856	11/28/23	01/17/24	10/01/23-10/31/23	49,350	49,350
170 Hamner, Jewell & Associates	203123	11/15/23	01/17/24	10/01/23-10/31/23	1,046	1,046
171 VMA Communications	DCA23Oct	10/31/23	01/17/24	10/01/23-10/31/23	52,550	52,550
172 Parsons	2312B253	12/13/23	01/17/24	10/28/23-11/24/23	554,419	554,419
173 AECOM Technical Services	2000826313	11/28/23	01/22/24	07/20/23-10/31/23	70,606	70,606
174 110 Holdings, LLC (Launch Consulting)	214401	12/12/23	01/22/24	11/01/23-11/30/23	35,817	35,817
175 Santa Clara Valley Water District	23	12/05/23	01/22/24	10/28/23-11/24/23	2,025	2,025
176 Caltronics Business Systems	3971470	01/09/24	01/22/24	01/01/24-01/31/24	2,412	2,412
177 Jacobs	W8X97006-05	12/11/23	01/31/24	10/05/23-11/24/23	941,206	941,206
178 Hamner, Jewell & Associates	203174	12/12/23	01/31/24	11/01/23-11/30/23	783	783
179 Baker Tilly US, LLP	BT2604365	11/18/23	01/31/24	08/14/23-10/31/23	56,109	56,109
180 AECOM Technical Services	2000836314	12/15/23	01/31/24	10/28/23-12/01/23	43,434	43,434
181 AECOM Technical Services	2000837313	12/19/23	01/31/24	07/01/23-12/01/23	27,932	27,932
182 Consolidated Communications	20240115	01/15/24	02/07/24	01/15/24-02/14/24	2,847	2,847
183 AT&T	4861056806	01/19/24	02/07/24	01/19/24-02/18/24	1,976	1,976
184 AECOM Technical Services	2000837299	12/19/23	02/07/24	09/04/23-12/02/23	225,869	225,869
185 Baker Tilly US, LLP	BT2632498	12/20/23	02/07/24	11/01/23-11/30/23	50,541	50,541
186 Metropolitan Water District of So. Ca	501926	11/15/23	02/07/24	10/01/23-10/31/23	25,088	25,088
187 Convergent Systems	44352	01/05/24	02/07/24	01/01/24-03/31/24	609	609
188 Commuter Industries, Inc.	230161	12/06/23	02/07/24	12/12/23-12/12/23	645	645
189 Miles Treaster & Associates	50651	11/29/23	02/07/24	11/29/23-11/29/23	210	210



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Schedule of Invoices Paid
for the Eleven Months Ended May 31, 2024
(Continued)

Vendor	Invoice #	Invoice Date	Payment Date	Period of Expense	Invoice Amount	Amount Paid
190 Prime US-Park Tower LLC	20240201	01/27/24	02/07/24	02/01/24-02/29/24	106,300	106,300
191 Jambo	2023-49	07/01/23	02/14/24	07/01/23-06/30/24	34,920	34,920
192 Bender Rosenthal, Inc.	23042-12	01/05/24	02/14/24	11/25/23-12/31/23	28,026	28,026
193 VMA Communications	DCA23Nov	11/30/23	02/14/24	11/01/23-11/30/23	112,175	112,175
194 Santa Clara Valley Water District	24	01/08/24	02/14/24	11/25/23-12/22/23	7,934	7,934
195 Caltronics Business Systems	4000174	02/12/24	02/23/24	02/01/24-02/29/24	2,718	2,718
196 Best, Best, & Krieger	983842	12/23/23	02/26/24	11/01/23-11/30/23	21,029	21,029
197 Consolidated Communications	20240215	02/15/24	03/06/24	02/15/24-03/24/24	2,850	2,850
198 AT&T	4477337806	02/19/24	03/06/24	02/19/24-03/18/24	1,976	1,976
199 Prime US-Park Tower LLC	20240301	02/23/24	03/06/24	03/01/24-03/31/24	106,605	106,605
200 Jacobs	W8X97006-06	01/26/24	03/13/24	09/13/23-12/29/23	1,154,275	1,154,275
201 Associated Right of Way Services, Inc.	21996	01/04/24	03/13/24	12/01/23-12/31/23	211	211
202 110 Holdings, LLC (Launch Consulting)	214402	01/25/24	03/13/24	12/01/23-12/31/23	31,290	31,290
203 Metropolitan Water District of So. Ca	501928	12/19/23	03/13/24	10/01/23-11/30/23	18,423	18,423
204 Hamner, Jewell & Associates	203213	01/08/24	03/13/24	12/01/23-12/31/23	727	727
205 Best, Best, & Krieger	986334	01/31/24	03/13/24	12/01/23-12/31/23	19,638	19,638
206 Lux Bus America Co.	107237	02/23/24	03/13/24	12/05/23-12/05/23	1,234	1,234
207 AECOM Technical Services	2000845451	01/18/24	03/18/24	05/09/23-12/29/23	57,475	57,475
208 Caltronics Business Systems	4016272	03/01/24	03/18/24	03/01/24-03/31/24	2,451	2,451
Subtotal July - March*					\$ 22,316,884	\$ 22,314,892
209 Bender Rosenthal, Inc.	152	02/08/24	04/05/24	01/01/24-01/26/24	12,664	12,664
210 Gwen Buchholz, Permit Engineer, Inc.	2324-07	02/14/24	04/05/24	01/01/24-01/31/24	9,750	9,750
211 AECOM Technical Services	2000847155	01/22/24	04/05/24	11/25/23-12/29/23	759,302	759,302
212 AECOM Technical Services	2000855455	02/24/24	04/05/24	12/30/23-01/26/24	54,078	54,078
213 110 Holdings, LLC (Launch Consulting)	20152024	02/15/24	04/05/24	01/01/24-01/31/24	28,053	28,053
214 VMA Communications	DCA24Jan	02/13/24	04/05/24	01/01/24-01/31/24	43,625	43,625
215 Bradner Consulting LLC	2324-01	02/01/24	04/05/24	01/01/24-01/31/24	48,060	48,060
216 AECOM Technical Services	2000856267	02/14/24	04/05/24	10/01/23-01/26/24	90,228	90,228
217 Parsons	2402B205	02/13/24	04/05/24	11/28/23-01/26/24	473,872	473,872
218 AT&T	1913997805	03/19/24	04/10/24	03/19/24-04/18/24	1,976	1,976
219 Associated Right of Way Services, Inc.	22050	02/02/24	04/15/24	01/01/24-01/31/24	4,216	4,216
220 Best, Best, & Krieger	988978	02/29/24	04/15/24	01/01/24-01/31/24	19,505	19,505
221 Prime US-Park Tower LLC	20240325	03/25/24	04/15/24	04/01/24-04/30/24	106,650	106,650
222 Bender Rosenthal, Inc.	23042-11	12/05/23	04/19/24	10/28/23-11/24/23	14,736	14,736
223 Associated Right of Way Services, Inc.	21812	11/07/23	04/19/24	10/01/23-10/31/23	1,148	1,148
224 Associated Right of Way Services, Inc.	21918	12/05/23	04/19/24	11/01/23-11/30/23	317	317
225 Gwen Buchholz, Permit Engineer, Inc.	2324-05	12/13/23	04/19/24	11/01/23-11/30/23	18,500	18,500
226 Baker Tilly US, LLP	BT2649237	01/05/24	04/19/24	12/01/23-12/31/23	48,060	48,060
227 Gwen Buchholz, Permit Engineer, Inc.	2324-06	01/12/24	04/19/24	12/01/23-12/31/23	14,875	14,875
228 Keogh Multimedia	MK-2024-01	01/09/24	04/19/24	10/01/23-12/31/23	780	780
229 Discovery Door Inc	47892	12/31/23	04/19/24	08/29/23-12/21/23	2,563	2,563
230 Parsons	2401B114	01/15/24	04/19/24	11/25/23-12/29/23	579,436	579,436
231 AECOM Technical Services	2000845431	01/29/24	04/19/24	11/25/23-12/29/23	62,711	62,711
232 VMA Communications	DCA23Dec	02/07/24	04/19/24	12/01/23-12/31/23	62,437	62,437
233 Metropolitan Water District of So. Ca	501933	01/16/24	04/19/24	12/01/23-12/31/23	13,843	13,843
234 Parsons	2403A696	03/15/24	04/19/24	01/27/24-02/23/24	543,871	543,871
235 Associated Right of Way Services, Inc.	22148	03/05/24	04/19/24	02/01/24-02/29/24	5,261	5,261
236 Gwen Buchholz, Permit Engineer, Inc.	2324-08	03/13/24	04/19/24	02/01/24-02/29/24	12,875	12,875
237 Consolidated Communications	20240315	03/15/24	04/19/24	03/15/24-04/14/24	2,850	2,850
238 Signs Now	107894	03/19/24	04/19/24	02/27/24-02/29/24	533	533
239 Jacobs	W8X97006-07	03/13/24	04/24/24	06/01/23-01/26/24	1,051,363	1,051,363
240 Caltronics Business Systems	4049221	04/10/24	04/24/24	04/01/24-04/30/24	2,452	2,452
241 AECOM Technical Services	2000868064	03/15/24	05/01/24	01/27/24-02/23/24	42,677	42,677
242 Jacobs	W8X97006-08	03/26/24	05/06/24	01/27/24-02/23/24	1,139,404	1,139,404
243 Consolidated Communications	20240415	04/15/24	05/06/24	04/15/24-05/14/24	2,850	2,850
244 AECOM Technical Services	2000869797	03/21/24	05/06/24	12/11/23-02/23/24	177,390	177,390
245 Metropolitan Water District of So. Ca	501934	02/21/24	05/06/24	01/01/24-01/31/24	9,412	9,412
246 Keogh Multimedia	MK-2024-02	04/02/24	05/06/24	01/01/24-03/31/24	634	634
247 AT&T	0889498806	04/19/24	05/06/24	04/19/24-05/18/24	1,976	1,976
248 All West Coachlines, Inc.	81671	04/07/24	05/06/24	04/04/24-04/04/24	1,651	1,651
249 Prime US-Park Tower LLC	20240501	04/24/24	05/06/24	05/01/24-05/31/24	82,411	82,411

* Totals may not foot due to rounding.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Schedule of Invoices Paid
for the Eleven Months Ended May 31, 2024
(Continued)

Table with 8 columns: Vendor, Invoice #, Invoice Date, Payment Date, Period of Expense, Invoice Amount, and Amount Paid. Includes rows for various vendors like Caltronics Business Systems, Hamner, Jewell & Associates, etc., and summary rows for Subtotal April - May* and Total July - May*.

* Totals may not foot due to rounding.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Accounts Payable Aging Schedule
As of May 31, 2024

<u>Payable To:</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>≥ 90</u>	<u>Total</u>
AECOM Technical Services					
Invoice #2000888084	76,112	—	—	—	76,112
AT&T					
Invoice #5276840909	988	—	—	—	988
Bender Rosenthal, Inc.					
Invoice #361	18,859	—	—	—	18,859
Best, Best, & Krieger					
Invoice #993957	24,468	—	—	—	24,468
Invoice #995906	25,756	—	—	—	25,756
Consolidated Communications					
Invoice #20240515	1,425	—	—	—	1,425
FedEx Corporation					
Invoice #8-481-82427	18	—	—	—	18
Invoice #8-488-50333	35	—	—	—	35
Invoice #8-503-25469	35	—	—	—	35
Gwen Buchholz, Permit Engineer, Inc.					
Invoice #2324-10	10,000	—	—	—	10,000
Jacobs					
Invoice #W8X97006-9	1,333,473	—	—	—	1,333,473
Lux Bus America Co.					
Invoice #103794	1,776	—	—	—	1,776
Miles Treaster & Associates					
Invoice #51610	52	—	—	—	52
Parsons					
Invoice #2405B359	613,330	—	—	—	613,330
	\$ 2,106,327	\$ —	\$ —	\$ —	\$ 2,106,327

*Totals may not foot due to rounding.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Accounts Receivable Aging Schedule ⁽¹⁾
As of May 31, 2024

<u>Receivable From:</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>Total</u>
Department of Water Resources					
Invoice #DCA-609	\$ 50,224	\$ —	\$ —	\$ —	\$ 50,224
Invoice #DCA-611	10,052	—	—	—	10,052
Invoice #DCA-612	613,331	—	—	—	613,331
Invoice #DCA-613	76,112	—	—	—	76,112
Invoice #DCA-614	18,859	—	—	—	18,859
Invoice #DCA-615	82,411	—	—	—	82,411
	\$ 850,989	\$ —	\$ —	\$ —	\$ 850,989

*Totals may not foot due to rounding.

⁽¹⁾ Approval date by the DCO determines aging classification.

DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

Statements of Cash Receipts and Disbursements

	Apr. 1, 2024 May 31, 2024	Year to Date May 31, 2024
Receipts:		
Contributions ⁽¹⁾	\$ 6,620,328	\$ 29,725,492
Disbursements:		
Program management office		
Executive office	749,067	2,336,028
Community engagement	126,156	755,580
Program controls	1,017,192	3,618,156
Administration	677,561	3,006,888
Procurement	179,352	465,938
Property	99,130	383,202
Permitting management	119,817	440,089
Health and safety	137,600	290,114
Quality management	134,798	325,849
Program initiation		
Engineering	2,000,364	10,154,007
Fieldwork	1,530,336	7,310,414
Total disbursements	<u>6,771,373</u>	<u>29,086,265</u>
Net changes in cash	(151,045)	639,227
Cash at July 1, 2023	—	1,412,837
Cash at April 1, 2024	<u>2,203,109</u>	—
Cash at May 31, 2024	<u>\$ 2,052,064</u>	<u>\$ 2,052,064</u>

Statements of Revenues, Expenses and Changes in Net Position

	Apr. 1, 2024 May 31, 2024	Year to Date May 31, 2024
Revenues:		
Contributions ^(1a)	\$ 3,777,831	\$ 27,672,458
Expenses:		
Program management office		
Executive office	507,997	2,212,222
Community engagement	45,030	669,827
Program controls	561,682	3,345,031
Administration	499,622	2,868,092
Procurement	138,258	449,068
Property	111,669	382,628
Permitting management	52,282	411,709
Health and safety	59,200	308,062
Quality management	95,412	331,936
Program initiation		
Engineering	1,163,545	9,762,045
Fieldwork	565,782	6,875,649
Total expenses	<u>3,800,479</u>	<u>27,616,269</u>
Changes in net position	(22,648)	56,189
Net position at June 30, 2023 ⁽²⁾	—	1,065,230
Net position at March 31, 2024 ⁽²⁾	<u>1,144,067</u>	—
Net position at May 31, 2024	<u>\$ 1,121,419</u>	<u>\$ 1,121,419</u>

* Amounts may include prior month accruals that were not previously captured due to timing.

⁽¹⁾ DWR contributions invoiced through the DCO.

^(1a) Includes DWR contributions invoiced through the DCO as well costs incurred by DWR in support of the planning and environmental phase of the Delta Conveyance Project that were not billed to the Authority.

⁽²⁾ Beginning net position was restated to reflect prior year cash disbursements recorded as expenses, which should have been recorded as deposits.



DELTA CONVEYANCE DESIGN AND CONSTRUCTION JOINT POWERS AUTHORITY

	Statements of Cash Receipts and Disbursements		Statements of Revenues, Expenses and Changes in Net Position	
	Apr. 1, 2024 May 31, 2024	Year to Date May 31, 2024	Apr. 1, 2024 May 31, 2024	Year to Date May 31, 2024
Receipts/Revenues:				
Contributions	\$ 6,620,328 ⁽¹⁾	\$ 29,725,492 ⁽¹⁾	\$ 3,777,831 ^(1a)	\$ 27,672,458 ^(1a)
Disbursements/Expenses*:				
Program management office				
Executive office	749,067	2,336,028	507,997	2,212,222
Community engagement	126,156	755,580	45,030	669,827
Program controls	1,017,192	3,618,156	561,682	3,345,031
Administration	677,561	3,006,888	499,622	2,868,092
Procurement	179,352	465,938	138,258	449,068
Property	99,130	383,202	111,669	382,628
Permitting management	119,817	440,089	52,282	411,709
Health and safety	157,600	290,114	59,200	308,062
Quality management	134,798	325,849	95,412	331,936
Program initiation				
Engineering	2,000,364	10,154,007	1,163,545	9,762,045
Fieldwork	1,530,336	7,310,414	565,782	6,875,649
Total disbursements/expenses	6,771,373	29,086,265	3,800,479	27,616,269
Net changes in cash	(151,045)	639,227		
Cash at July 1, 2023	—	1,412,837		
Cash at April 1, 2024	2,203,109	—		
Cash at May 31, 2024	\$ 2,052,064	\$ 2,052,064		
Changes in net position			(22,648)	56,189
Net position at June 30, 2023 ⁽²⁾			—	1,065,230
Net position at March 31, 2024 ⁽²⁾			1,144,067	—
Net position at May 31, 2024			\$ 1,121,419	\$ 1,121,419

* Amounts may include prior month accruals that were not previously captured due to timing.

⁽¹⁾ DWR contributions invoiced through the DCO.

^(1a) Includes DWR contributions invoiced through the DCO as well costs incurred by DWR in support of the planning and environmental phase of the Delta Conveyance Project that were not billed to the Authority.

⁽²⁾ Beginning net position was restated to reflect prior year cash disbursements recorded as expenses, which should have been recorded as deposits.



DCP Communications Report

Contact: Valerie Martinez, DCA Communications Manager

Agenda Date: June 20, 2024 Board Meeting

Item No. 8c

Subject: DCP Communications Status Update

Summary:

The Communications Manager will update the Board.

Detailed Report:

More details on Communications efforts will be discussed.

Action:

Information, only.