



**DELTA CONVEYANCE FINANCE AUTHORITY
BOARD OF DIRECTORS MEETING**

Thursday, February 19, 2026
11:00 a.m.
DCDCA Boardroom
980 9th Street, Suite 100
Sacramento, CA 95814

Teleconference Locations

San Geronio Pass Water Agency, 1210 Beaumont Avenue, Beaumont, CA 92223
Alameda County Water District, 46961 Zapotec Drive, Fremont, CA 94539
Santa Clara Valley Water District, 5750 Almaden Expressway, San Jose CA 95118

Join Zoom Meeting:

<https://zoom.us/j/98360154677?pwd=G8aH8FSHCiiZ98aRYqQqH8PZlvUOtO.1>

Meeting ID: 983 6015 4677

Passcode: 415887

One tap mobile: +16699006833,,98360154677#,,,,*415887#

AGENDA

ACCESSIBILITY: *If requested, the agenda and backup materials will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Any person who requires a disability-related modification or accommodation, in order to observe and/or offer public comment may request such reasonable modification, accommodation, aid, or service by contacting **Linda Standlee** by telephone at **916-812-6400** or via email to **lindastandlee@dcfinanceauthority.org** no later than **5:00 p.m. on February 17, 2026.***

1. CALL TO ORDER

2. ROLL CALL

- a. Directors, please identify your agency and title

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

5. OTHER MATTERS

6. CONSENT CALENDAR

Items on the Consent Calendar are considered to be routine by the Board of Directors and will be enacted by one motion and one vote. There will be no separate discussion of these items unless a director so requests, in which event the item will be removed from the Consent Calendar and considered separately.

- a. Approval of the minutes from the meeting of November 20, 2025.

7. SCHEDULED ACTION ITEMS

- a. Election of Board Officers and Appointment of Treasurer

- b. Approval of two-year extension with Brian G. Thomas Consulting LLC to provide executive director services

8. REPORTS AND ANNOUNCEMENTS

- a. Update on DCA Activities
- b. Treasurer's Report
- c. General Counsel's Report
- d. Executive Director's Report
- e. Directors' Report

9. FUTURE AGENDA ITEMS

- a. Future agenda items to be considered.

10. CLOSED SESSION

- a. Conference with legal counsel: Government Code §54956.9: potential litigation: one case.

11. ADJOURNMENT

BOARD OF DIRECTORS MEETING

MINUTES

**Thursday, November 20, 2025
11:00 am**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER

The meeting of the Delta Conveyance Finance Authority (Finance Authority) Board of Directors was called to order by President Paul Sethy, at 11:10 a.m. President Sethy noted that as there were Board members participating remotely, all votes would be roll call votes. He also noted that Martin Koczanowicz was sitting in for Steve O’Neill as General Counsel.

2. ROLL CALL

Board members in attendance were Paul Sethy, Valerie Pryor, Thomas Todd, Nai Hsueh, Michael Plinski, Matthew Stone, Esther Saenz, and Robert Cheng.

Directors Absent were Adnan Anabtawi Peter Thompson, and MWD Director (MWD had not appointed a new director before the November meeting)

Staff members in attendance were Brian Thomas, Martin Koczanowicz, and Katano Kasaine.

3. PLEDGE OF ALLEGIANCE

The Board recited the pledge of allegiance.

4. PUBLIC COMMENT

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

No members of the public requested time to speak and President Sethy closed public comment.

5. OTHER MATTERS

No Other Matters were discussed by the Board.

6. CONSENT CALENDAR:

Director Sethy queried the public for any comments; none were provided. Director Sethy called for a motion to approve the minutes.

6.a. Approval of the minutes from the meeting of May 21, 2025.

Motion:	Approve the minutes of the meeting of May 21, 2025.
Move to Approve:	Matthew Stone
Second:	Esther Saenz
Yeas:	Paul Sethy, Valerie Pryor, Thomas Todd, Nai Hsueh, Michael Plinski, Matthew Stone, Esther Saenz, and Robert Cheng.

Nays: None
Abstains: None
Recusals: None
Absent: Adnan Anabtawi, Peter Thompson, and MWD Director
Summary: 8 Yeas; 0 Nays; 0 Abstains; 3 Absent. (Motion passed as MO 25-11-1)

7. SCHEDULED ACTION ITEMS

7.a. Receive and file the 2024/25 audited financial statements

Executive Director Brian Thomas presented the report on this item. Mr. Thomas provided background information to the Board, noting that the Board retained the services of Richardson & Company to perform the required external audit of the Delta Conveyance Finance Authority's financial activities for the past fiscal year. Ingrid Sheipline from Richardson and Company provided the presentation. Ms. Sheipline noted that there are three reports issued for the audit: the Auditor's opinion, Governance letter and the Management letter. The primary goal of the audit was to issue an opinion on the financial statements and to issue a report containing certain required communications as well as a management letter if there were any matters noted. There were no material weaknesses or recommendations reported by the external auditor. Richardson issued an unqualified (clean) opinion regarding the accuracy of the DCFA financial statements.

Motion: Receive and file the 2024/25 audited financial statements
Move to Approve: Matt Stone
Second: Michael Plinski
Yeas: Paul Sethy, Valerie Pryor, Thomas Todd, Nai Hsueh, Michael Plinski, Matthew Stone, Esther Saenz, and Robert Cheng.
Nays: None
Abstains: None
Recusals: None
Absent: Adnan Anabtawi, Peter Thompson, and MWD Director
Summary: 8 Yeas; 0 Nays; 0 Abstains; 3 Absent. (Motion passed as MO 25-11-2)

8. REPORTS AND ANNOUNCEMENTS

Director Sethy queried for public comment; none were provided.

a. DCP Update

Graham Bradner, DCA Executive Director, provided a presentation to the Board on ongoing and future activities of the DCA in support of the Delta Conveyance Project.

b. Treasurer's Report

Ms. Katano Kasaine provided the report to the Board. Ms. Kasaine reported to the Board that the beginning cash balance in the DCFA Trust as of July 1, 2025, was \$190,001. During the first quarter ended September 30, 2025, receipts totaled \$1,968, while disbursements totaled \$12,665. This resulted in an ending cash balance of \$179,304 as of September 30, 2025.

Agenda Item 6.a

Ms. Kasaine noted that the year-to-date actual expenses totaled \$3,325, leaving a remaining balance of \$95,975 or 97% in the fiscal year budget. Future expenditures are expected to be higher in upcoming quarters. However, reflecting the Board's prior direction, they are expected to remain under budget.

c. General Counsel's Report

Martin Koczanowicz reported on recent activities, noting work focused on administrative matters.

d. Executive Director's Report

Mr. Thomas reported that activities continued to be administrative in nature and included preparing agenda packets for the November DCFA Board of Directors meeting, working with Metropolitan's accounting staff and Richardson and Company to finalize the year-end audit, and reviewing and approving the various invoices to be paid by the DCFA.

Mr. Thomas discussed the validation cases, noting the first case was on the original resolution to finance the project, with the court ruling against DWR; DWR appealed the decision, with the appeals court hearing oral arguments in November. DWR is hoping to have a decision from the appeals court in early 2026.

Chris Martin (DWR legal) noted the second validation case will go to trial in March 2026 and that by the end of March, DWR should be able to report on the trial and the decision from the appellate court.

e. Directors' Report

None were reported.

9. FUTURE AGENDA ITEMS

- a. Board members suggested a report on the following:
 - i. Discussion of validation actions

10. CLOSED SESSION

- a. Conference with legal counsel: Government Code §54956.9: potential litigation: one case.

No closed session was held.

11. ADJOURNMENT

President Sethy adjourned the meeting at 12:09 p.m.

Board Memo

Contact: Brian Thomas, Executive Director

AGENDA DATE: February 19, 2026

Item No. 7.b

Subject

Contract for Executive Director Services

Executive Summary

In 2022, the Board of Directors approved a one-year contract with Brian G. Thomas Consulting, LLC, through which Brian Thomas has provided ongoing Executive Director services. The total contract value for Brian G. Thomas Consulting, LLC was \$60,000 with a billing rate of \$325/hour. In October 2024, the contract was extended for one year. Given that activities of the Delta Conveyance Finance Authority (DCFA) remain primarily administrative, it is proposed the contract be extended for another two years and increase the total value of the contract to \$90,000. The hourly rate will remain the same.

Detailed Report

Brian Thomas has been serving as the Executive Director for the DCFA since 2018. The Board approved a new contract with Brian G. Thomas Consulting, LLC at its November 17, 2022, meeting for the period January 1, 2023 through December 31, 2023. The total contract amount was \$60,000, with an hourly rate of \$325/hour (the hourly rate has not changed since 2018.) The contract was subsequently extended to cover calendar years 2024 and 2025 without a change in the total contract amount. As discussed with the board, the DCFA activities have been limited and the Executive Director role has been primarily administrative in nature. Total expenditures under the contract from January 1, 2023 through December 31, 2025 were about \$42,000. As such, it is proposed to extend the contract for two years and increase the total amount to be paid under the contract to \$90,000. Unless the activities of the DCFA materially change, it is expected that annual expenditures for Executive Director Services will be about \$20,000 per year. The budget for Executive Director Services can be reviewed and amended as directed by the board when the board adopts the 2026/27 budget in May of this year.

Funding

Funds are available in the 2025/26 budget and will be included in the 2026/27 and 2027/28 fiscal year operating budgets for the full two years of the extended contract.

Recommended Action

Approve a two-year contract extension with Brian G. Thomas Consulting, LLC for Executive Director Services, effective January 1, 2026 thru December 31, 2027, with total compensation (including expenditures in 2023 and 2024) not to exceed \$90,000.

February 19, 2026
Agenda Item 7.b
Page 2

Attachment: Amendment No. 3 to Contract Between Delta Conveyance Finance Authority and Brian G. Thomas Consulting, LLC

AMENDMENT NO. 3 TO AGREEMENT BETWEEN

DELTA CONVEYANCE FINANCE AUTHORITY

AND

BRIAN G. THOMAS CONSULTING, LLC

AGREEMENT NUMBER FA 18003

THE DELTA CONVEYANCE FINANCE AUTHORITY

AGREEMENT NO. FA 18003

Amendment No. 3

This amendment to the Agreement between THE DELTA CONVEYANCE FINANCE AUTHORITY, a public agency organized pursuant to the Joint Exercise of Powers Act {California Government Code Sections 6500, et seq.}, hereinafter referred to as "Finance Authority", and Brian G. Thomas Consulting, LLC, hereinafter referred to as "Consultant" serves to extend the agreement term for two years.

Section 2. Time and Term is replaced in its entirety as follows:

"Time is of the essence in the performance of services under this Agreement. This Agreement is in effect from January 1, 2026 through December 31, 2027, subject to earlier termination pursuant to paragraph 21 below. This Agreement may be renewed for up to five years by mutual agreement of the parties."

Section 8. Maximum Amount is replaced in its entirety as follows:

"The maximum amount payable under the terms of this Agreement, including expenses, will not exceed \$90,000. Consultant shall promptly notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached \$72,000 (80% of maximum amount allowable). Consultant shall concurrently inform the Agreement Administrator of Consultant's estimate of total expenditures required to complete its current assignments, and when the remaining work would exceed the maximum amount payable, shall await direction from the Agreement Administrator before proceeding with further work."

All other provisions of the Agreement remain in effect.

IN WITNESS, WHEREOF, the parties have executed and entered into this Agreement as of the date last written below.

Brian G. Thomas Consulting, LLC

Delta Conveyance Finance Authority

By: _____

By _____

Print Name: Brian Thomas

Print Name: Paul Sethy

Title: Manager/Member

Title: Director and President of the Board

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Title: General Counsel

Date: _____



DELTA CONVEYANCE FINANCE AUTHORITY

Board Memo

Contact: Katano Kasaine, Treasurer

Date: February 19, 2026

Item No. 8.b

Subject: Treasurer's Report, Quarter Ended December 31, 2025

Executive Summary

The beginning cash balance in the DCFA Trust as of October 1, 2025 was \$179,304. During the first quarter ended December 31, 2025, receipts totaled \$1,824, while disbursements totaled \$24,706. This resulted in an ending cash balance of \$156,422 as of December 31, 2025.

Attached is the Budget vs. Actual schedule through December 31, 2025. Year-to-date actual expenses totaled \$32,773, leaving a remaining balance of \$66,527 or 67% in the fiscal year budget. Given current and projected activity levels, year-end expenses are expected to be lower than the adopted budget.

Detailed Report

See attached Statements

Recommended Action

For information only

ATTACHMENTS:

Attachment 1: DCFA Quarter Ended December 31, 2025 Financial Statements

Attachment 2: Budget versus Actual



DELTA CONVEYANCE FINANCE AUTHORITY
Statement of Net Position
As of December 31, 2025

Assets:	
Cash	\$ 156,422
Interest receivable	551
Prepays	<u>5,603</u>
Total assets	<u><u>\$ 162,576</u></u>
Liabilities:	
Accounts payable	<u>\$ 2,429</u>
Total liabilities	2,429
Net position	<u>\$ 160,147</u>
Total liabilities and net position	<u><u>\$ 162,576</u></u>



DELTA CONVEYANCE FINANCE AUTHORITY
Statement of Cash Receipts and Disbursements

	Quarter Ended Dec '25	Year to Date Jul '25-Dec '25
	<u> </u>	<u> </u>
Receipts:		
Interest receipts	\$ 1,824	\$ 3,792
Total receipts	<u>1,824</u>	<u>3,792</u>
Disbursements:		
Executive director	2,438	2,438
Professional services	7,268	8,730
Treasury and accounting	15,000	15,000
Insurance premiums	—	11,203
Total disbursements	<u>24,706</u>	<u>37,371</u>
Net change in cash	(22,882)	(33,579)
Cash at July 1, 2025	—	190,001
Cash at October 1, 2025	<u>179,304</u>	<u>—</u>
Cash at December 31, 2025	<u>\$ 156,422</u>	<u>\$ 156,422</u>



DELTA CONVEYANCE FINANCE AUTHORITY
 Statement of Revenues, Expenses, and Changes in Net Position

	Quarter Ended Dec '25	Year to Date Jul '25-Dec '25
	<u> </u>	<u> </u>
Revenues:		
Interest income	\$ 1,751	\$ 3,671
Total revenues	<u>1,751</u>	<u>3,671</u>
 Expenses:		
Executive director	2,113	2,601
Professional services	9,534	9,572
Treasury and accounting	15,000	15,000
Insurance premiums	<u>2,801</u>	<u>5,600</u>
Total expenses	<u>29,448</u>	<u>32,773</u>
 Changes in net position	(27,697)	(29,102)
 Net position at June 30, 2025	—	189,249
 Net position at September 30, 2025	<u>187,844</u>	<u>—</u>
 Net position at December 31, 2025	<u>\$ 160,147</u>	<u>\$ 160,147</u>

* Balances may include prior quarter accruals that were not previously captured due to timing.



DELTA CONVEYANCE FINANCE AUTHORITY

Schedule of Invoices Paid
for the Six Months Ended December 31, 2025

<u>Vendor</u>	<u>Invoice #</u>	<u>Invoice Date</u>	<u>Payment Date</u>	<u>Period of Expense</u>	<u>Amount</u>	<u>Disbursement Category</u>
1 Aleshire & Wynder LLP	96435	06/26/25	07/16/25	05/01/25-05/31/25	\$ 1,045	Professional services
2 Alliant Insurance Services, Inc.	3126426	06/17/25	07/16/25	07/01/25-07/01/26	11,203	Insurance premiums
3 Aleshire & Wynder LLP	97322	07/15/25	07/23/25	06/01/25-06/30/25	379	Professional services
4 Aleshire & Wynder LLP	98877	09/18/25	09/29/25	08/01/25-08/31/25	38	Professional services
5 Brian G. Thomas Consulting, LLC	289	10/01/25	10/17/25	09/01/25-09/30/25	488	Executive director
6 Metropolitan Water District of So. Ca	50666	10/01/25	10/22/25	03/01/25-10/31/25	15,000	Treasury and accounting
7 Aleshire & Wynder LLP	99790	10/14/25	10/22/25	09/01/25-09/30/25	307	Professional services
8 Brian G. Thomas Consulting, LLC	293	11/03/25	11/14/25	10/01/25-10/31/25	487	Executive director
9 Aleshire & Wynder LLP	100784	11/18/25	12/10/25	10/01/25-10/31/25	461	Professional services
10 Richardson & Company LLP	114103	11/10/25	12/10/25	07/01/24-06/30/25	6,500	Professional services
11 Brian G. Thomas Consulting, LLC	297	12/02/25	12/24/25	11/01/25-11/30/25	1,463	Executive director
					<u>\$ 37,371</u>	

Executive director	\$ 2,438
Professional services	8,730
Treasury and accounting	15,000
Insurance premiums	11,203
	<u>\$ 37,371</u>

*Totals may not foot due to rounding.



DELTA CONVEYANCE FINANCE AUTHORITY
Accounts Payable Aging Schedule
As of December 31, 2025

Payable To:	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>Total</u>
Aleshire & Wynder LLP Invoice #101253	\$ 2,266	\$ —	\$ —	\$ —	\$ 2,266
Brian G. Thomas Consulting, LLC Invoice #300	163	—	—	—	163
	<u>\$ 2,429</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,429</u>



Delta Conveyance Finance Authority
Budget versus Actual
FY 2025/26

Table with 5 columns: Item, Actual Through December 31, 2025, Budget FY 2025/26, Budget Remaining, and Percent of Budget Used. Rows include Executive director, Professional services, Treasury and accounting, Insurance premiums, Contingency, and Total.

Board Memo

Contact: Brian Thomas, Executive Director

AGENDA DATE: February 19, 2026

Item No. 8.d

Subject:

Executive Director's Report

Executive Summary

The DCFA's primary activity continues to be administrative and monitoring activities regarding the Delta Conveyance Project. We continue to work with the State Water Contractors, the Department of Water Resources and the Delta Conveyance Design and Construction Authority (DCA) regarding the project.

Detailed Report

Administration. Activities included preparing agenda packets for the February DCFA Board of Directors meeting, reviewing and approving the various invoices to be paid by the DCFA and meeting with directors and various staff of the agencies.

Meetings/calls. I had discussions and communication with board members, DWR and the DCA regarding the project and this month's DCFA Board meeting.

Future Activities. I will continue working with the members, the DCA, DWR and the State Water Project contractors to identify opportunities to support funding and conduct financial analysis as needed and prepare for ongoing meetings of the DCFA, including preparing next fiscal year's budget.

Recommended Action

Informational.