

FINANCE COMMITTEE MEETING

MINUTES

REGULAR MEETING

Thursday, April 16, 2026

3:30 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) Finance Committee was called to order in person, by teleconference, and remotely - Conference Access Information: Phone Number: (669) 444-9171, Code: 81125432632#, <https://dcdca-org.zoom.us/j/81125432632?from=addon> at 3:30 p.m.

2. ROLL CALL

Committee members in attendance remotely were Gary Martin, Sarah Palmer and Martin Milobar.

DCA staff members in attendance were Graham Bradner, Josh Nelson and Claudia Rodriguez.

3. PUBLIC COMMENT

There were no public comment requests received.

4. APPROVAL OF MINUTES: June 12, 2025, Finance Committee Meeting

Recommendation: Approve the June 12, 2025, Finance Committee Meeting

Motion to Approve Minutes from June 12, 2025, as

Noted:	Palmer
Second:	Milobar
Yeas:	Martin, Milobar, Palmer
Nays:	None
Abstains:	None
Recusals:	None
Absent:	None
Summary:	3 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as MO 26-04-01).

5. DISCUSSION ITEMS:

a) **DCA Fiscal Year 26/27 Budget Overview and Approach***Informational Item*

DCA Executive Director, Graham Bradner, presented an overview of the annual budget development process, including the Finance Committee's role, timeline, and key assumptions. He noted that while draft budget figures were not yet available, the purpose of the presentation was to outline the process and ensure shared understanding ahead of the May Finance Committee meeting, where the draft budget numbers will be presented.

Mr. Bradner reviewed the formal role of the Finance Committee as a Brown Act body established to provide initial review and recommendations to the Board of Directors regarding the following: adoption of the annual DCA budget and any proposed modifications or amendments; preparation and review of the annual DCA financial audit, Annual Comprehensive Financial Report, or similar reports; and other financial items as delegated by the Board of Directors or as requested by the Executive Director or Treasurer. He noted that the Committee's work to date has been primarily focused on the annual budget process. He reiterated that the DCA operates on a fiscal year basis which is July 1st to June 30th of the following year. The DCA Board of Director's approval of budget is required by the end of June and typically agendaized for the June Board meeting to allow task orders to be executed by the start of the new fiscal year. He further noted that the Joint Exercise of Powers Agreement (JEPA) requires a draft budget and task orders are to be submitted to the Delta Conveyance Office (DCO) 60 days prior to adoption. Staff are preparing to transmit that package in the coming week.

Mr. Bradner described DCA's approach to annual task orders, noting that task orders are not rolled over between fiscal years. Any uncompleted scope is reconciled at year-end and, if appropriate, incorporated into new task orders for the subsequent fiscal year. He explained that this approach ensures clear accountability, clean documentation, and accurate alignment between scope, budget, and delivered work products. The fiscal year budget and scope is utilized to develop the annual baseline that is shown in the monthly reports. Changes not anticipated during the budget process are managed through formal change management, supported by defined and undefined reserves approved by the Board.

He noted that billing rates include a standard escalation assumption, while travel and other direct expenses are reimbursed separately based on actual costs incurred under the updated travel policy. Mr. Bradner emphasized that unallocated reserves are intentional and necessary to manage uncertainty, particularly for activities such as geotechnical investigations and survey work, where timing and scope may be affected by external factors.

Mr. Bradner moved on to the scope and budget development stating that the first step is to identify the desired scope of work for the fiscal year and to confirm that there is contractual coverage within all the contracts in place to perform the scope of work. DCA requests cost estimates from consultants based on the provided scope of work. The staff will then work through a detailed analysis process to negotiate those task order budgets and confirm capacity within those contracts. Lastly, the team reviews, updates, and finalizes the draft budget for Board of Directors' adoption in June.

Mr. Bradner reviewed the Work Breakdown Structure (WBS), explaining that it organizes all budgeting and cost tracking across three (3) phases: Program Management Office (PMO), Program Initiation (PI), and Program Delivery (PD). The PMO includes executive, financial, legal, program controls, and community engagement functions that persist throughout the life of the program. PI encompasses remaining permitting related engineering activities and is expected to wind down as permits are completed and the Basis of Design Report and cost estimate are finalized. PD has been established to appropriately track costs associated with field investigations, including geotechnical and survey work, which directly support final design and construction. He emphasized that this does not indicate project implementation but ensures accurate cost allocation within the financial system.

Mr. Bradner outlined the remaining FY26/27 budget development milestones, including delivery of draft materials to DCO, review by the Finance Committee at its May 21 meeting, incorporation of committee feedback, a follow-up Finance Committee meeting on June 11, and a recommendation to the Board for adoption at the June 18 meeting.

Committee Member Palmer asked whether there are limits on unallocated reserves as well as sensitivities related to the term "program initiation."

DCA General Counsel, Josh Nelson, confirmed there are no legal limits, and reserve levels are a matter of Board and Committee discretion. Mr. Bradner responded that prior concerns centered on the term "implementation," and staff has been careful to clarify that early PD activities are limited to pre-design fieldwork and not construction or implementation.

Committee Chair Martin expressed interest in minimizing unknown risks as the program advances and asked about uncertainty drivers.

Mr. Bradner noted that geotechnical investigations and field access timing remain the primary uncertainties and explained the need to maintain sufficient reserves to respond quickly if access becomes available.

Committee Member Milobar requested more visual examples of work products to better understand contractor activities.

Mr. Bradner stated that staff would explore appropriate ways to provide illustrative examples while remaining compliant with the Brown Act and would follow up with the Committee.

Committee Chair Martin noted that prior task-order descriptions were helpful context.

Mr. Bradner agreed to coordinate with staff and report back with proposed options.

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

6. REPORTS AND ANNOUNCEMENTS:

a. Verbal Reports

None.

7. ADJOURNMENT:

Chair Martin adjourned the meeting at 4:09p.m., in person, by teleconference, and remotely - Conference Access Information: Phone Number: (669) 444-9171, Code: 81125432632#, <https://dcdca-org.zoom.us/j/81125432632?from=addon>