

## BOARD OF DIRECTORS MEETING

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# MINUTES

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## REGULAR MEETING

Thursday, February 20, 2025

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: 82055695034#, <https://dcdca-org.zoom.us/j/82055695034?from=addon> at 1:30 pm.

**2. ROLL CALL**

Board members in attendance from the DCA Boardroom were President Martin Milobar, Director Miguel Luna, Director Robert Cheng, and Director Adnan Anabtawi. Director Gary Martin participated remotely from the Santa Clarita Valley Water Agency Administration Building. Director John Weed and Director Tony Estremera participated remotely from private locations for just cause due to physical disabilities pursuant to AB2449.

Alternate Directors Sarah Palmer and Shiloh Ballard participated remotely.

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

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

**3. CLOSED SESSION**

No public comment was received for the closed session item.

**(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**

President Milobar opened the regular session at approximately 2:06 pm. and asked Josh Nelson to report out on closed session. There were no reportable actions.



**5. PUBLIC COMMENT**

There were no public comment requests received.

**6. APPROVAL OF MINUTES: December 19, 2024, Regular Board Meeting**

Recommendation: Approve the December 19, 2024, Regular Board Meeting Minutes

Motion to Approve Minutes from December 19, 2024, as

Noted:	Estremera
Second:	Anabtawi
Yeas:	Milobar, Martin, Luna, Estremera, Cheng, Anabtawi, Weed
Nays:	None
Abstains:	None
Recusals:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as MO 25-02-01).

**7. DISCUSSION ITEMS:**

**a) December DCA Monthly Report**

*Information Item*

DCA Executive Director, Graham Bradner, presented to the Board the Monthly Report for January 2025 activities. Mr. Bradner stated that the new report format should be completed by the March 2025 report issuance and ready to be presented during the April 2025 Board Meeting. The update intends to modify the look and feel of the report to communicate progress on key items more succinctly.

Mr. Bradner continued his presentation to the Board, stating that DCA has just completed the midyear budget reconciliation. This process includes reviewing the annual task orders and contracts. At the beginning of the year, there is a set plan; however, that plan inevitably changes as priorities shift throughout the year. During the reconciliation process, areas with underruns are identified, addressed, and redistributed to prevent DCA from committing more funds than are approved by the Board.

There were revisions to the deliverable management processes within all the task orders and contracts. The goal was to drive efficiency by defining the nature of a deliverable that is included in the contract and being clear and disciplined as to what is documented in the task orders and what is identified as a deliverable. Mr. Bradner went on to mention that the DCA Boardroom's audio and visual systems had been updated. The improvements include a push-to-talk system for clearer audio and added speakers over the audience area, enhancing the room's overall functionality.



Mr. Bradner moved on to the Engineering activities, with the continued permit support activities that Carrie Buckman will report on during the Environmental Program Manager report. Supporting this work continues to be a key priority for the fiscal year.

There are two new priorities currently under evaluation: potential innovations in the design and construction of the facilities, and possible innovations in contracting approaches. In addition, DCA is considering other opportunities to better manage risk and enhance the overall constructability of the project. DCA is now focusing on potential implementation timeframes, which would follow the completion of major permit activities and the next round of significant decisions by the participating Public Water Agencies (PWAs) regarding project implementation.

Mr. Bradner continued to the budget summary, stating that the budget is \$43M, and of that the DCA has committed \$34.58M, which has been allocated through contracts and task orders. There has been a downgrade of the estimate at completion to \$34.1M. This is an increasing cost underrun of about \$6.5M associated with the Geotech work that the Board had approved but was enjoined under the preliminary injunction. At the beginning of the fiscal year, the underrun was \$6.5M. The underrun is now at \$8.9M and anticipates the underrun to continue to grow. There is currently sufficient unallocated reserve within the executive office task to allow for change and potential modifications to task orders. Once DCA is able to resume field work, whether through surveys or initial geotechnical activities later in the fiscal year, it will allow the underrun to be more clearly defined and reissued through a task order modification. If that occurs, the underrun may then be utilized as needed.

Director Luna asked what the surplus in the executive office is.

Mr. Bradner stated that it is mostly the unallocated reserve, as funds are being pulled from task orders that are being reduced from the commitment numbers, and the funds are attributed to reserves.

The blue line cutting across shows cumulative expenditures, the blue bars represent planned monthly expenditures, and the gold bars represent the actual monthly expenditures. The pink line is the cumulative of actuals and shows a widening gap of the underrun forming. Mr. Bradner expects the planned expenditures to get closer to the planned expenditures near the end of the fiscal year, and there to be a surge in May and June due to the work of a fieldwork program.

Mr. Bradner continued to the procurement summary and stated that there were several procurements underway and several related to various business operations. This includes software suppliers, vendors, and a new procurement of executive strategic support services.



## Agenda Item 6a

He proceeded to the program schedule and stated that the value of the plot is diminishing as fieldwork is behind schedule and other activities are extended beyond the bounds of the fiscal year. This is part of what will be updated in the new monthly Board report. Mr. Bradner stated that there are no issues with respect to the progress of the project. When given the opportunity, DCA will progress in geotechnical and does not see any major schedule impacts associated with those delays.

Director Cheng asked if the level of anticipated geotechnical work was planned during the beginning of the fiscal year until November 2024, and if the markup of \$4M was for that.

Mr. Bradner stated that the difference between December 2024 through April 2025 and the beginning of the fiscal year until November 2024 is that that is steady from December 2024 through April 2025 based on the annual work plan buildup. This is how the projections are made at the beginning of the fiscal year and initiate the blue line.

Director Cheng asked what the difference of the dark blue and gold bars in December 2024.

Mr. Bradner stated that due to vacations and the holidays, there is a dip in the numbers, and it is hard to predict due to not knowing how the year will go.

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

### b) Roadmap Overview and Planning for Next Phase of DCA Activities

#### *Information Only*

Mr. Bradner presented to the Board the roadmap overview and planning for the next phase of DCA activities. Mr. Bradner stated that for the past four (4) to five (5) years, DCA has been functioning in a planning and permitting support role and now will need to start to think about what will be needed for the implementation phase of the project, as well as potential innovations. Mr. Bradner stated that DCA would walk the Board through ideas and high-level objectives of the transitions concerning the DCA organization, starting with the planning and permitting phase that is largely designed to focus on the period leading construction.

The overall program schedule used by DCA this year is to support the updated cost estimate and start preparing key milestones and transition points within the program. The major permitting activities are towards the top of the schedule and completing around the end of 2026. This would then be followed by the key decision of the PWAs to participate in and implement the design and construction of the project. Mr. Bradner stated that to meet the schedule, there are several activities that have been planned. This would involve bringing in design teams that would take over the design activities and prepare them for construction procurements and overall delivery of the project. These are necessary



transitions to enable DCA to efficiently deliver on its commitments related to the cost estimate and communications with the PWAs. Mr. Bradner noted that activities beginning this year, and continuing beyond, are starting to impact the critical path schedule. These include significant geotechnical work, right-of-way planning, and permit support efforts.

Mr. Bradner informed the Board that DCA has summarized its key activities through 2027. These focus areas include environmental permit support activities; support for the Mitigation Monitoring and Reporting Program (MMRP), as identified in the Environmental Impact Report (EIR), which now requires compliance with MMRP requirements; and preparation for implementation work, referred to as the "yellow pillar" of activities. This falls under the program support function, which defines and clarifies requirements. Engineering and construction teams are responsible for meeting those requirements, reflecting DCA's shift from supporting evaluations to actively implementing the program. The fieldwork has multiple objectives, including the near-term need to obtain temporary entry and access for geotechnical and survey work planned over the next several years. Activities include geotechnical testing, environmental investigations, surveys, right-of-way mapping, utility investigations, and pilot studies. These are identified on the schedule and are essential to advancing engineering, understanding, and definition of the project.

The Innovations Concept Designs are improved by additional subsurface information that allows us to tighten up some of the conservatisms currently in the project design. DCA continues to analyze the design documentation for the procurements and supports DWR in discussions related to the project's power supply. In parallel, DCA is exploring various ways to provide greater detail regarding scheduling and staffing. This serves as a starting point to shift the focus toward discussing the organization of DCA.

Mr. Bradner presented the current DCA organizational structure, which is aligned with the planning and permit focus work. The functions that are highlighted in green are Engineering and Field Exploration. Within engineering was the Environmental Liaison role as well as other support functions. DCA's mission to date had been to support DWR's evaluation of alternatives, initially to collect the necessary information Delta-wide. DCA is now focusing on the selected Bethany Reservoir alignment to continue to support DWR's evaluation of the project impacts and obtain the necessary permits for implementation. The section in blue was originally identified as the Program Management Office (PMO) function 4 to 5 years ago, while now there is a much leaner and narrowly focused PMO. He noted that over the past few years, the Board has seen individuals associated with different key roles join the program, allowing various aspects of that PMO to move forward.

Mr. Bradner then presented the restructured DCA Planning Phase Organization Chart update. A key difference is that DCA does not distinguish between the Program Initiation or planning and permit support functions versus the PMO, since DCA is one organization and there cannot be separation between the different functional areas. DCA is establishing functional areas that are seen in the pillars under the headings of Program Support, Engineering, Environmental, Real Estate, Communications, and Legal. The new functional



area, Program Support, would include Administration, Controls, Contracts, Procurements, Assurances, and all the Information Systems.

As DCA transitions this program into design and construction, the need to designate an Interface Lead and later an Interface Manager becomes a critical program-level role to help identify issues that are being brought through the construction contracts and understanding the programmatic impacts concerning schedule and risk. Mr. Bradner then noted the importance of representing the Environmental & Real Estate functions equally to the rest of the functional areas. To the right and top of the chart, there is a callout showing the connection to DWR as well as the participating PWAs. DCA sees the importance of addressing the coordination activities in the coming years to be ready for implementation and recognizing that there is cross-functional integration with DCA partners at DWR and the PWAs.

Mr. Bradner moved on to the DCA Design Phase Organization Chart update, showing how it adapts as DCA adapts through phases of the program and noting the unlikelihood of having clean breaks between phases. The possibility exists that multiple or all phases are functional at the same time. Therefore, as the organization moves through the different phases of the program, the chart may be modified, however, it will not change dramatically.

The engineering function would start to shift from in-house engineering services to design management services, managing future design contractors. The design contractors come through separate procurements to take ownership of the designs and complete them through the final design. Bringing early construction management input would help support the constructability reviews for big package support. Functions listed but not mentioned are generally unchanged.

The DCA is reaching a point where additional executive office resources are necessary and is starting to identify deputy director-level individuals to support the executive office.

He then presented the DCA Construction Phase Organization Chart update, construction management would become the dominant workstream. Engineering would transition to interface management as well as engineering services during construction. DCA has also included startup and commissioning that would come at the end of the project. This would be to accept the overall completion of the project and ensure fit for purpose, developing all the necessary training and manuals. As well as ensuring the system is fully integrated and ready to stand up for operations. Functions listed but not mentioned are generally unchanged.

DCA is in the process of mapping all existing DCA team members to the updated planning phase organization structure. There are a few key roles that will be added as needed for the near term. This map is to document the roles and responsibilities of the different functional areas, establish expectations, and explain how the divisions will work together.



Once all key roles are assigned, it will be reviewed to ensure the plans and processes align with the organization structure, DWR, and the PWAs.

Director Luna stated that this was a very comprehensive presentation. He mentioned that communications were missing from the DCA focus chart.

Mr. Bradner stated that Director Luna was correct, and communication would be added throughout the sections.

Director Luna stated that communication should have its own section.

Mr. Bradner agreed.

Director Anabtawi recognized the effort in creating this presentation and how complex the organization and project is. Especially as a largely permitting and planning to design and construction. He asked when DCA completes its main objective.

Mr. Bradner stated that the construction phase would be completed by 2042. Once completed, there will be a time when roads that were used would be put back in place for public use and site restoration, which would then be extended to 2043. Systems and commissioning would integrate with DWR as the ultimate owner and operator of the system. Details will be worked out as DWR receives and accepts the project. DWR would eventually close out any remaining contracts, legal issues and other remaining details. It is just a matter of how quickly those remaining activities close out and what kind of tail there is. Once resolved, DCA will dissolve and sunset.

Director Cheng stated he would like to know DWR's input on the process once finalized, as well as the PWAs. He also questioned if there are potential gaps in the future due to lack of funding if there is a plan in place.

Mr. Bradner stated that the reasoning behind restructuring and reorganization is to identify gaps and lay out work plans. DCA has done its best to manage the budget and be responsive to the needs of DWR, and continues to support the planning and permitting phase. There is a significant growth in staff levels that will be required due to the scope of work that has been committed. Funding through 2027 has been approved and Mr. Bradner is confident of the trajectory the DCA is heading towards. Mr. Bradner stated that DCA starts with restructuring the organization, then building and augmenting the resources to match the work plan.

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

**c) Adoption of Resolution to Approve DCA Health, Safety and Security Policy**



*Approve Resolution*

Mr. Bradner introduced DCA Health, Safety and Security Manager, Greg Baughman to the Board. Mr. Baughman stated that the proposed resolution establishes the health, safety, and security policy for DCA. The policy statement covers seven (7) tenets of the DCA. It identifies responsibilities for DCA staff members, contractors, consultants, sub-consultants, and all individuals who are part of the Delta Conveyance Project (DCP). This policy is effective and applicable to how the DCA currently operates and scalable to how DCA may operate in the future. Although DCA currently has no direct staff, the policy references DCA employees in anticipation of future organizational changes.

Director Cheng asked if DCA borrowed the policy procedure from other organizations.

Mr. Baughman stated that DCA had a health and safety policy in place and realized that there needed to be refinements and clarifications to the policy. In addition, DCA was missing a Board resolution on record for the health and safety policy. With the help of DCA's Executive Director and Legal Counsel, they redrafted and made clarifications.

Mr. Bradner stated that policies are brought to the Board to define high-level goals and objectives, serving as guiding principles for DCA and its partners to develop detailed implementation plans and structures. He emphasized that this approach supports DCA's commitment to health, safety, and security, and ensures consistent planning, particularly in complex situations involving multiple entities.

Director Anabtawi expressed strong support for the policy document, particularly appreciating tenet seven (7), which outlines stop-work authority in the event of unsafe conditions. He also noted the importance of distinguishing between DCA, Delta Conveyance Office (DCO), and DWR work sites, emphasizing the need to clarify organizational responsibilities before issues arise. Additionally, he requested clarification on how long the policy will remain in effect.

Mr. Bradner stated that this policy is for the entirety of the program and until DCA is resolved.

Director Anabtawi asked if there is a checking effort to ensure all parties involved in the DCA are cooperating with the policy.

Mr. Baughman stated that during onboarding, contractors and consultants must submit their health and safety programs for review. He ensures they align with DCA's health and safety policy, providing comments or suggestions as needed before work begins.

Mr. Bradner stated that this falls under the program support function, which develops and clarifies requirements. Engineering and construction teams are responsible for complying and producing materials, reflecting a shift in DCA's role from supporting evaluations to active implementation.



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

Recommendation: Adopt by motion to Approve the DCA Health, Safety and Security Policy

Motion to Approve the DCA Health, Safety and Security Policy

Noted: Milobar  
Second: Anabtawi  
Yeas: Milobar, Martin, Luna, Estremera, Cheng, Anabtawi, Weed  
Nays: None  
Abstains: None  
Recusals: None  
Absent: None  
Summary: 7 Yeas; 0 Nays; 0 Abstain; 0 Absent. (Motion passed as Resolution 25-01).

## 8. STAFF REPORTS AND ANNOUNCEMENTS:

President Milobar mentioned that members of the public may address the Authority on matters pertaining to the Reports at this time.

No public comment requests were received for any of the staff reports.

### a. General Counsel's Report

DCA General Counsel, Josh Nelson, informed the Board that Ms. Rodriguez had sent reminders on the annual Form 700 filing. The form is due by April 1, 2025. Mr. Nelson stated that a new law that took effect this year, AB 2302. This law modifies the number of times that Directors can attend a meeting from a private remote location for just cause or an emergency under the Brown Act. The law doesn't change participation requirements, except for the number of allowed remote participations. For DCA, the applicable limit is outlined in the first bullet of the packet: two (2) meetings per year if meeting monthly. Other limits were established for boards that meet more often with five (5) if twice per month, and seven (7) if three (3) or more times per month.

No comments or questions were received from the Board.

### b. Treasurer's Report

DCA Treasurer Katano Kasaine presented the financial report for December ending January 31, 2025. She reported a beginning cash balance of \$2,319,020 as of December 2024. Receipts from DCO during December and January totaled \$5,426,445, while disbursements for the same period amounted to \$4,551,621. This resulted in an ending cash balance of \$3,193,842 as of January 31, 2025. After accounting for receivables, payables, and the \$800,000 advance, the Authority's net position was \$1,247,902. Ms. Kasaine noted that budget versus actuals are no longer reported monthly to avoid conflict with the Executive



Office's reporting timeline and are instead provided at year-end. All other financial details are included in the report.

Director Anabtawi asked if there was a concern about having low cash on balances and if it would be an issue now to make payments on the organization's spending more with the design and construction.

Ms. Kasaine stated that there has been an advancement of \$800,000 to take care of the smaller invoices. Once construction invoices start to flow into the DCO, there will be another conversation regarding construction dollars and how they are spent.

President Milobar asked if Mr. Bradner had any follow up comments on Ms. Kasaine's statement.

Mr. Bradner stated that the current process is working well, and when the time comes for construction, there will be a different set of conditions regarding fund allocations.

President Milobar asked if, once construction has started and the bonds have been sold, would the entire payment structure change.

Mr. Bradner stated that it could not be answered at this point and expressed the need to work through the detailed arrangements with DWR and the treasurer.

Ms. Kasaine agreed with Graham and stated that the construction funds should be in a trust that is accessible.

No further comments or questions were received from the Board.

**c. DCP Communications Report**

DCA Communications Manager, Valerie Martinez, informed the Board that the DCA is adjusting the presentation content to provide a show-and-tell element to the work that DCA is undertaking. There has been a brief video designed to assist stakeholders to understand DCA's role and scope of the organization within the greater DCP structure uploaded to the DCA website, called Understanding the Work of the DCA. The video has been translated into Spanish and Chinese and is also available through digital outreach channels.

Ms. Martinez stated to the Board that as DCA continues to grow, the amount of new information that needs to go out is also increasing. To demonstrate commitment to transparency, the DCA has launched a new monthly e-blast called the *DCA Digest*, which offers updates on planning, progress, design refinements, project permitting, and new informational materials to help the public better understand the project and its



components. Some PWAs had requested to have information provided more frequently and allow the Board to receive updates more frequently.

The Community Benefits Program implementation plan and guidelines are out for public review, and the deadline for public comment is in March. There is an online portal where stakeholders can provide feedback. The DCP virtual tour video has been updated, a 20-minute video, providing a detailed review of the project alignment for this report. A collage of brief video clips is shown to highlight the type of information viewers can expect as the video progresses. The video provides video sweeps, mapping views, explanatory voice over, and component animations about construction logistics. It also identifies the specific locations of each shaft, the intakes, and pumping plants by using clearly recognizable geographic markers and street names. The video outlines anticipated construction and land use effects, providing the estimated acreage during construction versus finished project sites. Ms. Martinez explained that all video content is based on the EIR and reflects a snapshot of the project design as of 2024, noting that the design is still evolving and subject to ongoing changes.

A new video featuring animated renderings of the DCP's engineering components will be uploaded to the website on March 1, 2025, offering striking visuals and greater detail on each component's function and role in the project.

President Milobar stated that it was a well-presented presentation and looks forward to sharing the information with his agency as well as other directors.

No further comments or questions were received from the Board.

**d. DWR Environmental Report**

DWR Environmental Manager Carrie Buckman presented to the Board that DWR received the Incidental Take Permit from the Department of Fish and Wildlife, a major key milestone for the project. The permit documents the avoidance of minimizing and fully mitigating any impacts to threatened and endangered species under the California Endangered Species Act (CESA). This permit is needed under CESA to move forward with construction operations and maintenance. Ms. Buckman continued by informing the Board that the water rights hearings began this week, starting with policy statements. While not considered formal evidence, these statements provide the Board with context and policy support for the project. Several PWAs representatives participated in the hearing, and she thanked them for their contributions. Opening statements will take place on March 24 and 25, 2025, followed by DWR's presentation of the case-in-chief for the change in point of diversion throughout April 2025.

Director Cheng stated that he commends DWR for their work and obtaining the permit. Also, he thanked Dr. Grimaldo.



## Agenda Item 6a

President Milobar also commended DWR for obtaining the permit and hopes everything goes well with the injunction.

Director Luna asked if the community benefits could be added to the next Board meeting.

Ms. Buckman stated that acknowledged comments do close on March 1, 2025, but will be extended until March 3<sup>rd</sup> due to March 1, 2025, landing on a Saturday.

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

### e. Verbal Reports, if any

Director Luna stated that his alternate, Jacquelyn McMillan, has been appointed to the DCA Board of Directors and the DC Finance Board of Directors. Alternate Director McMillan represents Calleguas Municipal Water District. Director Luna stated she is very engaged in Delta issues and chairs the Delta ad hoc committee at Metropolitan. Director Luna has invited Alternate Director McMillan to attend the Board meetings as much as she can.

Alternate Director Sarah Palmer stated that Zone 7 and other agencies were at the request for approval of the point of diversion. Many individuals were in support of the point of diversion.

Director Martin added that Alternate Director McMillan is an old friend from the Santa Clarita Valley Water District and originally from the Castaic Lake Water Agency Board and will be an excellent alternate.

## 9. FUTURE AGENDA ITEMS:

No future agenda items requested.

## 10. ADJOURNMENT:

President Milobar adjourned the meeting at 3:15 p.m., remotely-Conference Access Information: Phone Number: (669) 444-9171, Code: 82055695034#, <https://dcdca-org.zoom.us/j/82055695034?from=addon>