

Director AB 1234 Report
June 20, 2023

Director name: Gary Martin

Meetings attended:

- 1) 6/9/23 DCA Board of Directors briefing via Zoom
- 2) 6/13/23 Monthly meeting with DCA Executive Director (ED) Graham Bradner via Zoom
- 3) 6/15/23 DCA Board of Directors meeting in Sacramento, CA

Date of meetings: June 9, 13, 15, 2023 as noted.

Location: As noted above

SCV Water Board Meeting to be presented at: June 20, 2023

June 9

I Attended the Delta Conveyance Design and Construction Authority (DCA) briefing of 3 members of the DCA Board of Directors via the Zoom platform. The purpose of the meeting is to receive an update from DCA ED, staff and DWR representatives on project status and issues that will be coming to the DCA board at upcoming meetings. Points of interest are as follows:

- Carrie Buckman, DWR Environmental Manager provided an update on the EIR statue and ongoing efforts to provide environmental group tours to interested parties and stakeholders.
- General Counsel Josh Nelson provided an update on Governor Newsom's Executive Order N-8-23 which is intended to speed up water infrastructure projects, as well as pending bill SB537 for public meetings. The board will consider taking a support position for the executive order.
- Graham Bradner reviewed the agenda for the 6/15 board meeting.
- Staff reports for the 6/15 meeting were briefly reviewed, including the June monthly report, budget summary and schedule status.
- The proposed FY23/24 budget was discussed and questions were responded to.
- A new Sustainability Policy will be considered, as well as updates for the Procurement and Investment policies.
- The board will be polled as to board meeting cadence (frequency) going forward.

June 13

I attended my monthly meeting with DCA Executive Director Graham Bradner via Zoom. Discussion points and points of interest are as follows:

- Discussed the FY23/24 budget and the methodology used by staff to arrive at the proposed budget, including the detailed backup information.
- Discussed a possible partnering session with DWR in mid-to-late September which would be attended by a less than quorum of the DCA board. More detailed information to follow.

June 15

On June 15th, the regular meeting of Delta Conveyance Design and Construction Authority (DCA) Board of Directors was held in Sacramento, CA at DCA headquarters. In addition, a special meeting was also held during the regular meeting to consider one agenda item to discuss and consider support for Executive Order N-8-23 and the Governor's proposal to Build California's Clean Future Faster, and authorize letters of support from the Board President. Agenda Items and Points of interest are as follows:

1. The meeting was called to order by President Sarah Palmer.
2. Roll call was taken and Directors were present either in person or by remote attendance.
3. Pledge of allegiance.
4. Public comment was taken.

The regular meeting was recessed in order to conduct the special meeting. Following President Palmer's call to order of the special meeting, one item, 2(a) was heard: Discuss and Consider Support for Executive Order N-8-23 and the Governor's Proposal to Build California's Clean Future Faster. Following the staff presentation and discussion, the Board unanimously approved the item. The special meeting was then adjourned. The regular meeting was then resumed.

5. Approval of Minutes. The minutes of the May 18, 2023 regular meeting were approved. I abstained due to not attending the 5/18 meeting.

6. Discussion Items:

- 6(a) The June DCA Monthly Report was presented by DCA ED Graham Bradner. No items of concern were highlighted.
- 6(b) Fiscal Year 23/24 Budget: The 39,955,004 proposed budget was approved and adopted.
- 6(c) Adopt Resolution Approving the Sustainability Policy. Following staff presentation, the proposed Sustainability Policy was adopted.
- 6(d) Adopt Resolution Approving the Amended Procurement Policy. Following staff presentation, the proposed amended Procurement Policy was adopted.
- 6(e) Adopt Resolution Approving the Investment Policy. Following staff presentation, the proposed Investment Policy was adopted.
- 6(f) Adopt Resolution Approving the Second Amendment to the VMA Communication, Inc. Agreement for Professional Services to provide Communications Support Services. VMA's contract was increased to \$2.3 million to reflect great utilization in FY23/24.
- 6(g) DCA Board of Directors Meeting Cadence. The Board agreed to continue the current bi-monthly meeting schedule.

7. Staff Reports

- 7(a) General Counsel's Report. Josh Nelson reported that the General Counsel continued to assist the DCA on legal matters as requested. Of particular note, the Governor announced a package of budget trailer bills aimed at speeding up infrastructure projects. In addition, Senate Bill SB 537 allowing "multijurisdictional" bodies to utilize more flexible remote meeting rules was approved by the Senate and is now under consideration by the Assembly. Note that this would only apply to board members located more than 40 miles from the meeting location, and thus would not apply to SCV Water.
- 7(b) Treasurer's Report. Treasurer Katano Kasaine provided the report and reported no issues of concern.
- 7(c) DWR Environmental Manager's Report. Carrie Buckman provided a brief oral report indicating that work continues on the Project EIR.
- 7(d) Verbal Reports. No verbal reports were presented.

8. Future Agenda Items. Requests for future agenda items were heard.

9. Adjournment

DIRECTOR AB 1234 REPORT

Director Name: Maria Gutzeit

Meeting Attended: Washington DC Van Scoyoc Legislative Advocacy Trip

Date of Meeting: 06/11-06/14

Board Meeting to Be Presented At: 06/20/23

Points of Interest:

I traveled to Washington DC to meet with our legislative advocates, Geoff Bowman and Ashley Strobel of Van Scoyoc Associates. They coordinated several days of meetings with agency and legislative staff to discuss SCV Water concerns. Assistant General Manager Steve Cole also attended.

We met with staff of several House committees, the staff for Senators Feinstein and Padilla, Congressman Garcia, as well as agency staff from the USDA, EPA Office of Water, and Bureau of Reclamation.

Highlights included the EPA meeting where they were very happy to hear of our use of WIFIA, as well as tangentially intrigued by our merger, which they viewed as helpful for dealing with the many challenges facing water agencies.

Congressman Garcia pledged his continued assistance on the Bouquet Creek funding and seemed happy to get an update from the agency. USDA staff were very helpful in clarifying the path forward for the Bouquet Creek project, which has some funds awarded but not released.

Issues discussed included the SCV Water overview, PFAS, water storage, funding pathways, water recycling, and Bouquet Creek projects, as well as upcoming legislation and regulations.

Both Van Scoyoc and agency staff liked our handouts prepared by SCV Water's outreach team. They said our packet was a model for others to emulate, and several agency folks asked for digital copies to use going forward.

AB 1234 Report

Director name: Dirk Marks

Meeting attended: Association of Water Agencies of Ventura County

Date of Meeting: 6/15/2023

Location: Oxnard CA

SCV Water Board Meeting to be presented at: June 20, 2023

Points of Interest:

On June 15, 2023, I participated in the AWA of Ventura County meeting that focused on the future of technology. Scott Klososky, Partner at Future Point of View discussed a variety of topics relating to what he referred to as “Humalogy” or the intersection of technology and human activities. The points he raised included the following:

- Agencies would be well served to look 5-years ahead when considering investments in technologies. This means evaluating and possibly investments while new technologies are in the conceptual and early development stages. While early investments certainly carry risks, the benefits of their integration into their future business activities can be substantial. One expectation he mentioned was that in 4-5 years it’s anticipated that Quantum computing will become commercially available. This will increase computer computation power exponentially.
- Humanity has lived through several ages (i.e., the Iron Age, Industrial Age, Digital Age and we are now on the precipitate of the “Age of Entanglement”. Here human and artificial intelligence (AI) will be enmeshed to more efficiently and creatively accomplish work.
- The learning potential of AI has reached the point where it can outperform humans in many areas which were once thought to be too complex for AI. (i.e., visual, language and written recognition). This trend is likely to continue with next generation AI, which will be bolstered by the ability of AI systems to learn from other AI systems.
- Agencies should be prepared to make significant investments in AI including training staff to interact with AI. The model of just letting the user “figure it out” on their own is not likely to be a successful strategy. We will start to see AI incorporated into standard business software such as Excel and Word by the end of this year. Power Users will need to progress into what he referred to as “Digital Centaurs”. A Digital Centaur being a human who has been enhanced and augmented with digital tools making them able to perform at a higher level their peers.

- **Leaders will need to project appropriate levels of funding as well as craft appropriate policies including a formal risk mitigation program. This mitigation would include a risk inventory (i.e. risk of using an AI program that may have incorporated an unknown discriminating bias), scoring risks and where appropriate using 3rd party firms to audit performance.**
- **In the future the highest performers will be those that integrate technology, people and innovation.**