

SITES JOINT POWERS

AUTHORITY

JIM WATSON, GENERAL MANAGER
PO BOX 517
MAXWELL, CA 95955
530.410.8250

ANN NORDYKE, CLERK
530.458.0508
boardclerk@countyofcolusa.org
www.SITESJPA.NET

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DAN JONES, TC 5 DISTRICTS

SITES PROJECT AUTHORITY OFFICE
OLD HIGHWAY 99 122 WEST
MAXWELL, CA 95955

November 21, 2016 Sites Project Authority Minutes

The Sites Project Authority Board meets in Regular Session this 21st day of November 2016 at the hour of 2:30 p.m. **Directors Present:** Fritz Durst, Vice-Chair, Jamie Traynham, Don Bransford, Jeff Sutton, Mary Wells, and Jim Jones. **Directors Absent:** Kim Dolbow Vann, Colusa County, Leigh McDaniel, Glenn County, and Dan Jones, TC 5 Districts. **Alternate Director Present:** Gary Evans, Colusa County and John Viegas, Glenn County. (Other Alternate Directors that may be listed as Present below, did not participate in the decision making process).

Vice-chair Durst calls to order the November 21, 2016 Regular Session at 2:30 p.m., with all Directors/Alternates present, except Dan Jones, Tom Charter, Proberta/TC 5 Districts. **(Not represented at this meeting-Proberta/TC5)**

Staff Present: Jim Watson, General Manager.
Ernest Conant, Counsel.
Rob Thomsom, Sites JPA.
Ann Nordyke, Clerk.

Alternates Present: Logan Dennis, Glenn-Colusa ID.
Blake Vann, Tehama-Colusa Canal.

Others Present: Janet Barbieri, JB Comm.
Kevin Spesent, Jeff herrin, Melissa Wong, Ted Feldsher,
Masood Mesbah, AECOM.
Gwen Buchholz, Rob Tull, Mark Oliver, CH2M.
Jeff Nelson, Parsons.
Allen Myers, Westside Water District.
Greg Johnson, Western Canal water District.
Andrew Meredith, California State Building trades.

Scott Brown, LWA.
 Oscar Serrano, Colusa Indian Community.
 Emil Cavagnolo, OAWD.
 Bill Vanderwaal P & P.
 Dan Ruiz, Westside/MID.
 Donita Hendrix, Dunnigan Water District.
 Shelley Murphy, Colusa County Water District.
 Joleah Cordi, Assemblyman Gallagher.
 Nadine Bailey, Family Water Alliance.
 Mike Hall, RD 2035.
 Mike Azevedo, CCDPW.
 Ed Horton, PCWA.

Pledge of Allegiance.

It is moved by Director Jim Jones, seconded by Director Wells to approve the November 21, 2016 Agenda as presented. Motion carried: All yes. Absent: Proberta/TC5.

Vice-chair Durst introduces Mr. Rob Thomson, new staff to the Sites Project Authority.

PERIOD OF PUBLIC COMMENT

None.

1. BOARD MEMBER REPORTS: (No action will be taken)

None.

2. ACCOUNTING:

a. It is move by Director Bransford, seconded by Director Sutton to approve The Treasurer's Report as presented. Motion carried: All yes. Absent: Proberta/TC5.

b. It is moved by Director Bransford, seconded by Director Sutton to approve payment of Claims as presented. Motion carried: All yes. Absent: Proberta/TC5.

3. GOVERNANCE:

Mr. Watson speaks to the Ad-Hoc Governance Committee report with discussion of staff report and consider possible action to approve as may be amended.

Mr. Conant goes over changes to the Fourth Amended And Restated Sites Project Authority Joint Exercise of Powers Agreement, noting there is no action needed from this Board at this time. He further suggest going over item 3.2 on the Agenda before 3.1.

Vice-chair so directs.

3.2 Discuss and consider approval to accept the Ad-Hoc Governance Committee recommendation to request of the current Authority Member agency's respective boards consider approving the addition of the following agencies as Authority Members, [which requires at least 75% of the Boards of the Authority Members to approve:](#)

a. It is moved by Director Sutton, seconded by Director Traynham to accept the Governance Committee recommendation to accept the request of Western Canal Water District to become an authority Member. Motion carried: All yes. Absent: Proberta/TC5.

b. It is moved by Director Wells, seconded by Director Bransford to accept the Governance Committee recommendation to accept the joint request by Placer County Water Agency/City of Roseville to become an Authority Member. Motion carried: All yes. Absent: Proberta/TC5.

c. It is move by Director Sutton, seconded by Director Traynham to accept the Governance Committee recommendation to accept the request of Reclamation District 2035 along with the condition they can obtain powers that are common to all of the other Authority Members to advance the hydropower and renewable energy aspects of the Sites Reservoir Project. With the caveat, legislation is secured regarding Hydro power by January 1, 2018. Motion carried: All yes. Absent: Probert/TC5.

3.1 It is moved by Director Sutton, seconded by Director Bransford to authorize the Fourth Amendment and Restatement of the Authority's Agreement be distributed to the current Authority Member Agency's respective Boards for consideration and approval of the addition of Western Canal Water District, Placer County Water Agency/City of Roseville and Reclamation District 2035 to become Authority Members. Motion carried: All yes. Absent: Proberta/TC5.

Vice-chair Durst makes time to consider/approve the Amended and Restated Bylaws.

Mr. Conant goes over the various changes within the proposed Bylaws. Lengthy discussion is held.

3.3 It is moved by Director Jones, seconded by Director Traynham to approve The Amended and Restated Bylaws. Motion carried by the following vote:

AYES: Colusa County, RD 108, Westside Water District, Glenn County, Glenn—Colusa Irrigation District, Tehama-Colusa Canal Authority, Maxwell irrigation District, Colusa County Water District, Orland Artois Water District.

NOES: None.

ABSENT: Proberta/TC5.

3.4 Vice-chair Durst makes time for approval of The Amended and Restated Phase 1 Reservoir Project Agreement, which includes Exhibits A, B, and C.

Mr. Conant states the "PAC Committee" has changed its name to the Reservoir Committee. He further speaks to several changes within the Project Agreement. Lengthy discussion is held.

Mr. Watson states an item came up after the posting of the Agenda regarding a request from Pacific Resources to increase participation in Class 2 water from and requests the item be placed on the Agenda for consideration at this time.

It is moved by Director Wells, seconded by Director Sutton that an item arose after the posting of the November 21, 2016 Agenda regarding the addition of Pacific Resources request to increase their class 2 water to the November 21, 2016 Agenda for consideration. Motion fails by the following vote:

AYES: Maxwell Irrigation District, Tehama-Colusa Canal Authority and Westside Water District.

NOES: Colusa County, RD 108, Glenn County, Glenn-Colusa Irrigation District, Colusa County Water District, and Orland Artois Water District.

ABSENT: Proberta/TC5.

a. It is moved by Director Traynham, seconded by Director Bransford to accept the Ad-Hoc Governance Committee's recommendation to have the members and non-member participating parties listed in Exhibit A to become members to the Phase 1 Reservoir Project Agreement and participate in the Reservoir Committee, subject to the approval of Exhibit B in Item 3.4b on the Agenda November 21, 2016 Agenda. Motion carried by the following vote:

AYES: Colusa County, RD 108, Westside Water District, Glenn County, Glenn-Colusa Irrigation District, Tehama-Colusa Canal Authority, Maxwell Irrigation District, Colusa County Water District.

NOES: Orland Artois Water District.

ABSENT: Proberta/TC5.

b. Discussion is held regarding the approval of this document being conditioned on approval of an amended Phase 1 Work Plan, which is Exhibit B. The Work Plan will be addressed under agenda item 4.3.

3.5 Discussion is held regarding the alternative participation requests from the following agencies that were received during the formal on-boarding process. A brief discussion is provided in Attachment 3, with no action taken.

- a. The joint request by Placer County Water Agency/City of Roseville
- b. Metropolitan Water District of S. California

4. PHASE 1: Mr. Watson speaks briefly to the Water Storage Investment Program (WSIP) Proposal & Federal Feasibility Report, with no action taken.

4.1 Water Commission's Draft Regulations: Discussion is held regarding staff's Review of the Sept. 2 draft regulations which were discussed by the Water Commission on Nov 10 and will be discussed again on Nov 15, 2016, with no action taken.

4.2 Environmental Impact Report and Environmental Impact Statement (EIR/S): Discuss is held regarding the implementation of the proposed acceleration Strategy, which has been factored into the Amended Phase 1 Work Plan, but will require several policy decisions by the Reservoir Committee and Authority before the draft EIR/S would be formally released for public review and comment. Approval of the Amended Phase 1 Work Plan only allows the work needed to inform the Authority and Reservoir Committee at the time such policy decisions are needed to maintain the project's schedule, with no action taken.

4.3 Mr. Watson gives a PowerPoint presentation regarding the Program Management Office Support Services:

- a. the various functions established by the Project Management Institute that would be established during Phase 1 and
- b. different approaches to have these services provided.

He states the results of this discussion will be used to develop a proposed plan for future consideration by the Authority Board.

Director Bransford and Sutton express concern regarding moving to much forward so quickly.

Lengthy discussion is held regarding avoiding conflict of interest when using existing contracts, if an analysis has been done, delegating authority to the Reservoir Committee and a Notice to Proceed, with no action taken.

4.4 Amended Phase 1 Work Plan and Annual Budgets:

Vice-Chair Durst makes time to consider Ad-Hoc Budget Committee report with discussion of staff report and consider possible action as may be amended for the following items:

a. It is moved by Director Traynham, seconded by Director Wells to approve the Amended Phase 1 proposed Revenue Targets for 2017 and 2018 for the Authority and concur with the Reservoir Committee's Revenue Targets (as may have been amended on Nov. 18, 2016). Motion carried by the following vote:

AYES: Colusa County, RD 108, Westside Water District, Glenn County, Glenn-Colusa irrigation District, Maxwell Irrigation District, and Colusa County Water District.

NOES: Tehama-Colusa Canal Authority and Orland Artois Water District.

ABSENT: Proberta/TC5.

b. Vice-chair Durst makes time to consider approving the Authority's proposed Amended Phase 1 Budget Target and concur with the Reservoir Committee's approval of their Phase 1 Budget Target (as may have been amended on Nov 18)

Mr. Watson goes over the amended plan.

Director Traynham goes over some concerns the Budget Committee has.

It is moved by Director Sutton, seconded by Director Traynham to add to the existing budget the CalSim model and approve CH2m to move forward with CalSim modeling and analysis. Motion fails by the following vote:

AYES: Westside Water District, Tehama-Colusa Canal Authority, Colusa County, Maxwell irrigation District, Glenn County and Orland Artois Water District.

NOES: Colusa County Water District, Glenn-Colusa Irrigation District, and RD 108.

ABSENT: Proberta/TC5.

b. It is moved by Director Bransford, seconded by Director Traynham to approving the Authority's proposed Amended Phase 1 Budget Target and concur with the Reservoir Committee's approval of their Phase 1 Budget Target (as may have been amended on Nov 18). Motion fails by the following vote:

AYES: Maxwell Irrigation District, RD 108, Glenn County, Westside Water District, Glenn-Colusa Irrigation District, and Colusa County Water District.

NOES: Tehama-Colusa Canal Authority, Colusa County, Orland Artois Water District,

ABSENT: Proberta/TC5.

5:45 p.m. Director Bransford vacates his seat and exits the meeting.

Discussion is held regarding setting up a workshop.

Following discussion it is the consensus of those Directors present to hold a workshop on December 5, 2016 at 9:00 a.m. to be followed by a Special Meeting of the Sites Project Authority.

Vice-chair Durst states the budget was not approved, therefore items C and D, 4.5, a through c and 4.6 will not be considered at this time.

c. Consider approving the Authority's proposed 2017 Annual Budget and concur with the Reservoir Committee's approval of their 2017 annual budget (as may have been amended on Nov 18) (**Attachment 4-4c**).

- d. Consider approving the Authority's proposed annual 2018 Budget Projection and concur with the Reservoir Committee's approval of their 2018 budget projection (as may have been amended on Nov 18), which is only for 6 months to coincide with the forecast end of Phase 1 (**Attachment 4-4d**).

NOTE 1: Each of the above items *requires at least 75% of the Authority Members to approve*.

NOTE 2: For items b, c, and d, Authority approval is required for these costs to be included in Exhibit B of the Phase 1 Reservoir Project Agreement.

4.5 Consultant Contract Amendments:

Discuss the proposed scopes of work and budgets and consider possible approval of the following items, that have been factored into the proposed Amended Phase 1 Work Plan:

- b. CH2M: Additional CalSim modeling and analysis needed to support the WSIP application, specifically in response to the Water Commission's climate change requirements (**Attachment 4-5a**).
- c. CH2M: Acceleration of work planned in Phase 2 to support a draft EIR/S coincident with submitting the WSIP application (**Attachment 4-5b**).
- d. AECOM: Additional analysis that directly supports the WSIP proposal requirements, support the EIR/S preparation in specific topic areas, and advance priority technical studies (**Attachment 4-5c**).

NOTE 1: Each of the above items *requires greater than 50% of the Authority Members to approve*.

4.6 Consultant Contract Notices to Proceed:

Pending individual approvals of items a through d in agenda items 4.4, consider approval to issue Notices to Proceed, respectively to:

- b. CH2M (**Attachment 4-6a**)
- c. AECOM (**Attachment 4-6b**)

NOTE 1: Each of the above items *requires greater than 50% of the Authority Members to approve*.

5. OUTREACH & ENGAGEMENT:

Brief discussion is held regarding the status of various deliverables, primarily the website, with no action taken.

Vice-chair Durst adjourned the meeting at 6:00 p.m. to reconvene in Regular Session on December 19, 2016 at the hour of 2:30 p.m.

Respectfully submitted,

Fritz Durst, Vice-Chair

Jamie Traynham, Secretary to the Board