

Subject: **Reservoir Committee Meeting**

9:30 AM–12:00PM

Location: Maxwell Project Office
122 Old Highway 99 West, Maxwell, CA 95955

Call in: 1-800-201-7439
Code: 644237

Chair: Thad Bettner (Glenn-Colusa Irrigation District)
Vice Chair: Doug Headrick (San Bernardino Valley Municipal Water District)
Treasurer: Jamie Traynham (Davis Water District)

Draft Meeting Minutes

ROLL CALL & QUORUM: Roll was called (see Attachment A), which resulted in 22 eligible representatives. This equated to 89% of the current participation percentage being in attendance, which is greater than the 50% needed to have a quorum of the Reservoir Committee.

ATTENDANCE: See Attachment B.

CALL TO ORDER:

Chairman Bettner called the meeting to order at 9:30 a.m., followed by the Pledge of Allegiance.

AGENDA APPROVAL:

It was moved by Vanderwaal and seconded by Traynham to approve the May 18, 2018 Sites Reservoir Committee Agenda. Motion approved unanimously.

INTRODUCTIONS:

The Sites Reservoir Committee members and staff present introduce themselves.

MEETING MINUTES APPROVAL:

It was moved by Arnold and seconded by Vanderwaal to approve the April 19, 2018 Reservoir Committee Meeting Minutes, with no changes made. Motion approved unanimously.

PERIOD FOR PUBLIC COMMENT:

None.

1. CHAIRPERSON’S REPORT:

Bettner & Headrick

1.1 None.

2. MANAGER’S REPORT:

Watson

2.1 Discussion and possible direction to staff regarding the General Manager’s monthly status report.

(Attachment 2-1)

General Manager Watson updates the Committee regarding activities during the month of April 2018 as follows:

- Bond Counsel
- Two Senior-level Advisors; 1 for Banking and Finance and 1 for Alternative Delivery

Action items serve as meeting minutes

Status: Meeting Record

Version: A

Purpose: Informational

Date: 2018 May 18

Participation by phone is not counted in quorum or voting.

Caveat 1 Subject to change

Ref/File #:

Caveat 2

Page: 1 of 5

- Water Commission’s posting of our Appeal (April 20, 2018) and development of response for same
- Progress on the proposed procurement process to retain professional services coincident with the start of phase 2
- Outreach efforts includes a Tour of Young Farmers and Ranchers, NorCal leadership program, and a KCRA Interview with Board members; which aired in the Sacramento area on April 24, 2018

2.2 Report on status of Prop 1 WSIP application and WIIN Act funding. (Attachment 2-2)

General Manager Watson briefly speaks to the California Water Commission’s “Summary of Commission Determinations for Public Benefit Ratios”. Brief discussion is held.

General Manager Watson also updates the Committee on the Sites Project Authority Board of Director’s Special Meeting held on May 7, 2018 (Item 2.3). Discussion is held regarding non-monetized benefits, Public Benefit Ratio (PBR), value of water to the different environmental needs, CDFW process and picking up an additional 8 points at the Commission’s discretion. Lengthy discussion is held.

2.3 Report on April 23, 2018 Sites Project Authority Board of Directors Meeting and the May 7, 2018 Special Board Meeting. (Attachment 2-3)

General Manager Watson states the May 7, 2018 Special Meeting was already discussed in Item 2.2 and speaks to the Sites Project Authority Board of Directors meeting held on April 23, 2018 (Regular Meeting) and actions approved on that date. He also briefly speaks to the status of the Colusa Indian Community (Wintun Indians) request to become an Authority Members.

2.4 Report on May 8, 2018 Joint Authority/Reservoir Committee Workshop and staff activities during the ACWA Spring Conference May 8-10, 2018. (Attachment 2-4) (See Attachment regarding ACWA Conference for breakdown of subjects discussed).

3. **AD HOC FINANCE & ECONOMICS WORK GROUP:** Traynham

3.1 Review Payment of Claims and Treasurer’s Report and consider Recommending approval to the Authority Board. (Attachment 3-1)

Traynham provided an overview and review of the Treasurer’s Report as of April 30, 2018. She states these statements were reviewed in the work group which recommended approval and to present same to the Authority Board at their meeting on Monday, May 21, 2018.

Action: It was motioned by Vanderwaal and seconded by Hartwig to accept the Treasurer’s Report for the Sites Joint Powers Authority as of April 30, 2018. The motion was approved unanimously.

Action: It was motioned by Hartwig and seconded by Vanderwaal to approve the Payment of Claims. The motion was approved unanimously.

3.2 Consider approval of a recommendation to the Sites Project Authority Board of Directors to award a Bond Counsel services contract to Stradling, Yocca, Carlson & Rauth.

Traynham provided an overview and review of the process taken on the selection of a Bond Counsel. Brief discussion is held.

Action: It was motioned by Traynham and seconded by Hartwig to approve a recommendation to the Sites Project Authority Board of Directors to award a Bond Counsel services contract to Stradling, Yocca, Carlson & Rauth. The motion was approved unanimously.

- 3.3 Discussion and possible direction to staff regarding recommended (Attachment 3-3) approaches to Phase 2 Interim financing.

Mr. Montague speaks to the Phase 2 financing options as follows:

- State and Federal Sources of Project Funding
- Credit Structure
- Take-or Pay vs Take-and-Pay
- Interim Debt Instruments – 3 categories (1. Fixed rate notes, 2) floating rate notes and 3) commercial paper and revolving lines of credit)
- Public vs Private Sale of Securities
- Project Credit Structure Options
 - Public Water Agency Structure
 - Pooled Credit Structure with Step-up Provisions
- Other Credit Structure Options (not recommended)
- Phase 2 Agreements and
- Challenges to Interim Financing

Lengthy discussion is held. Following discussion, Mr. Watson recommends that the Board members present speak to their respective boards regarding their input and any concerns or issues they may have with the proposed plan as outlined. He states he would be available to meet with them to clarify any concerns or issues.

- 3.4 Consider approval of Work Group’s recommendation regarding the reprioritization of the Phase 1 Budget.

Traynham speaks to the following:

- Phase 1 Completion (From April 1, through End of Phase 1); which officially ends December 31, 2018
- Phase 1 Completion: Critical Tasks
- Owner’s Agent Costs
- Consultant Costs

Discussion is held regarding the above as well as WIIN Act and USDA funding.

Action: It was motioned by Hartwig and seconded by Vanderwaal to approve the Work Group’s recommendation regarding the reprioritization of the Phase 1 Budget, as presented. The motion was approved unanimously.

4. **Ad Hoc Document Review Work Group:** Bettner

- 4.1 EPP Manager Thomson recommends scheduling a meeting to discuss early surveys to collect data related to sensitive resources.

5. **Ad Hoc Reservoir Operation Work Group:** Kunde & Ruiz

5.1 Report out on Work Group’s meeting on May 8, 2018.

Kunde updates the Committee regarding contract with the Department of Water Resources, coordination issues that may arise re: Sites, development of work plan performing effect analysis. Brief discussion is held.

6. Ad Hoc Water Facilities Work Group: Arita

6.1 Report on Work Group’s activities to perform a project Phase 2 Procurement planning.

General Manager Watson states work group will be convened to finalize standard contracts to be used in the upcoming procurements and to provide staff’s thinking about the process to retain professional services coincident with the start of phase 2.

7. Ad Hoc Siting Work Group: Azevedo

7.1 The work group will reconvene once staff have further advanced the proposed process to be used to obtain temporary rights of entry.

8. Ad Hoc Risk Management Work Group: Vanderwaal

8.1 Report on Work Group’s activities to perform a project wide Risk assessment.

Vanderwaal updates the Committee regarding the project wide Risk assessment (final draft), noting that it is ready for review.

9. Recap & Adjourn

9.1 Agenda topics for next meeting?

- Financing
- Procurement
- Re-balancing
- Water Commission
- USDA

9.2 Upcoming Reservoir Committee meetings:

Sites Reservoir Committee Meeting
June 21, 2018 from 2:00 – 4:30 PM
Tsakopoulos Library Galleria (West Meeting Room)
828 I Street, Sacramento, CA 95814

ADJOURN

Meeting adjourned at 11:02 a.m.

Chairperson
Thad Bettner

General Manager
Jim Watson

Attachment A to Meeting Minutes

Current Voting Committee Participants (27):

<input checked="" type="checkbox"/>	<i>Pct</i>	<i>Participant</i>	<input checked="" type="checkbox"/>	<i>Pct</i>	<i>Participant</i>
<input type="checkbox"/>	1.93	4M Water District	<input checked="" type="checkbox"/>	4.96	Metropolitan WD
<input checked="" type="checkbox"/>	2.31	American Canyon, City	<input checked="" type="checkbox"/>	5.15	Orland-Artois WD
<input checked="" type="checkbox"/>	2.11	Antelope Valley-East Kern WA	<input checked="" type="checkbox"/>	3.10	Pacific Resources MWC (1)
<input checked="" type="checkbox"/>	4.03	Cal Water Service	<input type="checkbox"/>	2.35	Proberta WD
<input type="checkbox"/>	1.91	Carter MWC	<input checked="" type="checkbox"/>	5.15	Reclamation District 108
<input checked="" type="checkbox"/>	5.32	Coachella Valley WD	<input checked="" type="checkbox"/>	7.78	San Bernardino Valley MWD
<input checked="" type="checkbox"/>	3.50	Colusa County	<input checked="" type="checkbox"/>	3.69	San Geronio Pass WA (3)
<input checked="" type="checkbox"/>	7.14	Colusa Co. WD	<input checked="" type="checkbox"/>	5.00	Santa Clara Valley WD
<input type="checkbox"/>	1.90	Cortina WD	<input checked="" type="checkbox"/>	2.51	Santa Clarita Valley WA
<input checked="" type="checkbox"/>	2.18	Davis WD	<input checked="" type="checkbox"/>	2.43	Western Canal WD
<input checked="" type="checkbox"/>	0.00	Department of Water Resources (non-voting)	<input checked="" type="checkbox"/>	5.97	Westside WD
<input checked="" type="checkbox"/>	2.70	Desert WA	<input checked="" type="checkbox"/>	4.47	Wheeler Ridge-Maricopa WSD
<input type="checkbox"/>	2.68	Dunnigan WD	<input type="checkbox"/>	0.00	US Bureau of Reclamation (non-voting)
<input checked="" type="checkbox"/>	2.10	Garden Highway MWC (2)	<input checked="" type="checkbox"/>	4.47	Zone 7 WA
<input checked="" type="checkbox"/>	5.15	Glenn-Colusa ID			

22. Voting members present at Meeting start (See Note 1)

89. % Participation percentage in attendance

Representation has been delegated as follows:

- (1) To Rob Kunde (WR-MWSD)
- (2) To Ted Trimble (Western Canal WD)
- (3) To Bob Tincher (SBVMWD)
- (4)

NOTE 1: Participation by phone are not counted in quorum or voting.

NOTE 2: Additional participants were on the phone, but did not identify themselves.

Attachment B to Meeting Minutes - Attendance

Current Voting Reservoir Committee Participants (27):

<i>Participant</i>	<input checked="" type="checkbox"/> <i>Representative</i>	<input checked="" type="checkbox"/> <i>Alternate</i>	<i>Others</i>
4M Water District	<input type="checkbox"/> Wade Mathis	<input type="checkbox"/>	
American Canyon, City	<input checked="" type="checkbox"/> Steve Hartwig	<input type="checkbox"/> Jason Holley	
AVEK WA	<input type="checkbox"/> Dwayne Chisam	<input checked="" type="checkbox"/> Dan Flory	
Cal Water Service	<input type="checkbox"/> Mike Hurley	<input type="checkbox"/> Rob Kuta <input checked="" type="checkbox"/> Dan Flory	
Carter MWC	<input type="checkbox"/> Ben Carter	<input type="checkbox"/>	
Coachella Valley WD	<input checked="" type="checkbox"/> Ivory Reyburn	<input type="checkbox"/> Dan Charlton	
Colusa County.	<input checked="" type="checkbox"/> Azevedo, Mike	<input type="checkbox"/> Gary Evans	
Colusa Co. WD	<input type="checkbox"/> Shelley Murphy	<input checked="" type="checkbox"/> Joe Marsh	
Cortina WD	<input type="checkbox"/> Jim Peterson	<input type="checkbox"/> Chuck Grimmer	
Davis WD	<input checked="" type="checkbox"/> Jamie Traynham	<input type="checkbox"/> Tom Charter	
Desert WA	<input checked="" type="checkbox"/> Mark Krause	<input checked="" type="checkbox"/> Steve Johnson	
Dunnigan WD	<input type="checkbox"/> Donita Hendrix	<input type="checkbox"/>	
Garden Highway MWC	<input type="checkbox"/> Nicole Van Vleck	<input type="checkbox"/> Jon Munger	
Glenn-Colusa ID	<input checked="" type="checkbox"/> Thad Bettner	<input type="checkbox"/> Don Bransford	
Metropolitan WD	<input checked="" type="checkbox"/> Randall Neudeck	<input type="checkbox"/> Steve Arakawa	<input type="checkbox"/> Arlene Arita
Orland-Artois WD	<input type="checkbox"/> John Erickson	<input checked="" type="checkbox"/> Emil Cavagnolo	
Pacific Resources MWC	<input type="checkbox"/> Preston Brittian	<input type="checkbox"/>	
Proberta WD	<input type="checkbox"/> Dan Jones	<input type="checkbox"/>	
RD 108	<input checked="" type="checkbox"/> Bill Vanderwaal	<input type="checkbox"/>	
San Bernardino V MWD	<input type="checkbox"/> Doug Headrick	<input checked="" type="checkbox"/> Bob Tincher	

NOTE 1: Participation by phone is not counted in quorum or voting.

NOTE 2: Additional participants were on the phone, but did not identify themselves.

<i>Participant</i>	✓ <i>Representative</i>	✓ <i>Alternate</i>	<i>Others</i>
San Geronio Pass WA	<input type="checkbox"/> Jeff Davis	<input type="checkbox"/>	
Santa Clara Valley WD	<input type="checkbox"/> Cindy Kao	<input checked="" type="checkbox"/> Brad Arnold	<input checked="" type="checkbox"/> Eric Leitterman
Santa Clarita Valley Water Agency (Formerly Castaic Lake WA)	<input checked="" type="checkbox"/> Dirk Marks	<input type="checkbox"/> Rick Viergutz	
Western Canal WD	<input checked="" type="checkbox"/> Ted Trimble	<input type="checkbox"/> Greg Johnson	
Westside WD	<input checked="" type="checkbox"/> Allan Myers	<input type="checkbox"/> Dan Ruiz <input type="checkbox"/> Blake Vann	
Wheeler Ridge-Maricopa	<input checked="" type="checkbox"/> Rob Kunde	<input type="checkbox"/>	
Zone 7 WA	<input checked="" type="checkbox"/> Amparo Flores	<input type="checkbox"/> Carol Mahoney <input type="checkbox"/> Jarnail Chahal	

Non-Voting Committee Participants (2):

<i>Participant</i>	✓ <i>Representative/Other</i>	✓ <i>Alternate/Other</i>	
Dept of Water Resources	<input checked="" type="checkbox"/> Rob Cooke	<input type="checkbox"/> David Sandino	
	<input type="checkbox"/> Ajay Goyal	<input type="checkbox"/> Jim Wiekling	<input checked="" type="checkbox"/> Alex Vdovichenko
Bureau of Reclamation	<input type="checkbox"/> Richard Welsh	<input type="checkbox"/> Don Bader	
	<input type="checkbox"/> David Van Rijn	<input type="checkbox"/> Mike Dietl	<input type="checkbox"/> John Menniti
	<input type="checkbox"/> Shana Kaplan	<input type="checkbox"/> Mike Mosley	

Pending Reservoir Committee Participants (1):

<i>Participant</i>	✓ <i>Representative</i>	✓ <i>Alternate</i>
LaGrande WD	<input type="checkbox"/> Matt LaGrande	<input type="checkbox"/> Dennis Zachary

Authority, Non-Signatory (7):

<i>Participant</i>	✓ <i>Representative</i>	✓ <i>Alternate</i>
Glenn County	<input type="checkbox"/> John Viegas	<input type="checkbox"/>
Maxwell ID	<input type="checkbox"/> Mary Wells	<input type="checkbox"/>
PCWA	<input type="checkbox"/> Ed Horton	<input checked="" type="checkbox"/> Ben Barker <input type="checkbox"/> Darin Reintjes
Roseville	P Sean Bigley	<input type="checkbox"/>
Sacramento, City of	<input type="checkbox"/> Jim Peifer	<input type="checkbox"/> Dan Sherry
Sacramento County WA	<input type="checkbox"/> Kerry Schmitz	<input type="checkbox"/> Michael Peterson
Tehama-Colusa Canal Authority	<input type="checkbox"/> Jeff Sutton	<input type="checkbox"/>

Staff & Consultants:

<input checked="" type="checkbox"/>	Name	Representing
<input type="checkbox"/>	Barbieri, Janet	JB Comm
<input type="checkbox"/>	Barnes, Joe	AECOM
<input type="checkbox"/>	Black, Lyna	Ch2m
<input type="checkbox"/>	Brown, Scott	LWA
<input type="checkbox"/>	Bruner, Marc	Perkins Coie
<input type="checkbox"/>	Carlson, Nik	AECOM
P	Conant, Ernest	Young Wooldridge
<input checked="" type="checkbox"/>	Davis, Kim	Sites Project Authority
<input checked="" type="checkbox"/>	Herrin, Jeff	AECOM
<input type="checkbox"/>	Johns, Jerry	Johns
<input type="checkbox"/>	Kuney, Scott	Young Wooldridge

<input checked="" type="checkbox"/>	Name	Representing
<input checked="" type="checkbox"/>	Montague, Doug	Montague DeRose Assoc.
<input checked="" type="checkbox"/>	Oliver, Mark	Ch2m
<input type="checkbox"/>	Nicholas, Rebeca	Nicholas Communications
<input checked="" type="checkbox"/>	Spesert, Kevin	Sites Project Authority
<input checked="" type="checkbox"/>	Tirado, Yolanda	Sites Project Authority
P	Thomson, Rob	Sites Project Authority
<input checked="" type="checkbox"/>	Trapasso, Joe	Sites Project Authority
<input checked="" type="checkbox"/>	Tull, Rob	Ch2m
<input type="checkbox"/>	Van Camp, Marc	MBK
<input checked="" type="checkbox"/>	Watson, Jim	Sites Project Authority
<input type="checkbox"/>		

Other Attendees: *(Check box to have email address added to the distribution list)*

Name	Representing	Contact (Phone & E-mail)
Chandra Chilmakuri	MWD	<input type="checkbox"/>
Russell E. Ryan	MWD	<input type="checkbox"/>
Linc To	HDR	<input type="checkbox"/>
Brian Bullock	PSOMAS	<input type="checkbox"/>
Richard Millet	AECOM	<input type="checkbox"/>
Mike Hughes	AECOM	<input type="checkbox"/>
Tom Frisher	CDM Smith	<input type="checkbox"/>
Monique Baird	ICF	<input type="checkbox"/>
John Spranza	HDR	<input type="checkbox"/>
Jeff Kivett	Brown & Caldwell	<input type="checkbox"/>
Phil Dunn	GEI	<input type="checkbox"/>
David Gutierrez	GEI	<input type="checkbox"/>