

Meeting: **Phase 2 Reservoir Project Agreement**

2020 July 16

Subject: **Reservoir Committee Meeting**

1:00 PM – 4:15 PM

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

Chair: Thad Bettner (Glenn-Colusa Irrigation District)

Vice Chair: Jeff Davis (San Geronio Pass Water Agency)

Treasurer: Jamie Traynham (Davis Water District)

MINUTES

CALL TO ORDER:

Chairman Bettner called the meeting to order at 1:00 p.m., followed by the Pledge of Allegiance.

ROLL CALL:

Roll was called (See Attachment A), which resulted in 19 eligible representatives. This equated to 95.03% of the current participation percentage being in attendance, which is greater than the 50% needed to have a quorum of the Reservoir Committee. **(Attachment A)**

INTRODUCTIONS:

The Sites Staff, Consultants and members of the public introduced themselves.

ATTENDANCE:

See Attachment B.

AGENDA APPROVAL:

It was moved by Kao, seconded by Davis to approve the July 16, 2020 Reservoir Committee Agenda, as presented. Motion carried unanimously.

ANNOUNCEMENT OF CLOSED SESSION:

Counsel Kuney announced the Reservoir Committee Members would consider the following Closed Session matter:

5.1 Executive Director's Three-Month Performance Review (Govt. Code § 54954.5(e)).

PERIOD OF PUBLIC COMMENT:

Chairman Bettner called for public comment. Hearing none, he closed the period of public comment.

Chairman Bettner made time to consider Consent Agenda Item Number 1.1 through 1.7.

Ms. Traynham stated Consent Agenda Item Number 1.6 regarding the Workgroup Charter Document updates are not formatted the same. She stated the Engineering and Operations Workgroup is not formatted the same as the Coordination, Environmental Planning and Permitting and Joint Budget and Finance Committee and requested they be formatted the same.

1. **Consent Agenda:** It was moved by Davis, seconded by Marks to approve Consent Agenda Item Numbers 1.1 through 1.7 as follows:
 - 1.1 Approve the June 18, 2020 Phase 2 Reservoir Committee Meeting Minutes.
 - 1.2 Accept the Sites Project Authority Treasurer's Report as presented in Attachment 1.2A. **(Attachment A)**
 - 1.3 Approve the Payment of Claims as presented in Attachment 1.3A with supporting details provided in Attachment 1.3B. **(Attachments A, B & C)**
 - 1.4 Adopt Resolution No. 2020-03, providing all of the duties, authorities and responsibilities to the Authority's Executive Director that were previously delegated to the Authority's General Manager and authorize the Chairman to sign. **(Attachment A)**
 - 1.5 Approve the revised changes to the Authority Consulting Services Agreement. **(Attachment A)**
 - 1.6 Approve the Coordination, Engineering and Operations, Environmental Planning and Permitting and Joint Budget and Finance Workgroup Charter Document updates. **(Attachment A & B)**
 - 1.7 Approve an amendment to Brown and Caldwell's (Project Controls) contract and task order scope of work and budget and authorize the Executive Director to sign. **(Attachment A)**

Motion carried unanimously.

2. **Action Items:**

- 2.1 Accept the Financial Auditor's Report. **(Attachments A & B)**

Action: It was moved by Davis, seconded by Cheng to accept the Financial Auditor's Report, as presented. Motion carried unanimously.

- 2.2 Recommend approval of release of a Request for Qualifications to initiate the procurement of legal services to support the acquisition of the water rights permits and approvals needed to support the project. **(Attachment A)**

Executive Director Brown provided a brief overview of the following:

- Release of the RFQs for the procurement of legal services to support the acquisition of the water rights permits and approvals needed to support the Sites Project.
- Selection panel consisting of the Executive Director, the Environmental and Permitting and Planning Manager and the Chairs from the Reservoir Committee and Authority Board.
- Selection criteria and process.
- List of firms invited to propose for the water right legal services.

Brief discussion followed.

Executive Director Brown also stated there is still room on the selection panel should anyone be interested. Brief discussion followed, with Jeff Davis, Michael Azevedo, Amparo Flores and Health Dyer and/or Bob Tincher volunteering to sit on the selection panel.

Action: It was moved by Azevedo, seconded by Kao to approve the release of a Request for Qualifications to initiate the procurement of legal services to support the acquisition of the water rights permits and approvals needed to support the project. Motion carried unanimously.

3. Discussion and Information Items:

- 3.1 Review and comment on the conditionally approved August 2019 Water Storage Policy and consideration of updates to align with Value Planning. Recognize the storage policy serves as the foundational document to 2021 key milestones of creating a Plan of Finance and Operations Plan and refer consideration of updates to the ad hoc Engineering and Operations Workgroup. **(Attachment A)**

Ms. Forsythe provided an overview of the conditionally approved August 2019 Water Storage Policy and spoke to the following:

- Current Policy.
- Potential Areas for Change:
 - Value Planning identified individual participant constraints and needs which the Reservoir Committee may wish to consider in the policy.
 - State and Federal participation.
 - Delegating refinement of Policy to the ad hoc Reservoir Operations & Engineering Workgroup.
- The Foundation of the Sites Project:
 - Storage Policy.
 - Plan of Finance.
 - Operations Plan.

- Next Steps:
 - Refer to Reservoir Operations and Engineering Workgroup for policy updates.
 - Target revisions and determine if further work is needed in 2 months.
 - Individual agency legal review.
- Initiate Plan of Finance development.
 - Review approach at September meeting.
- Continue to develop operations Plan along with permits and operating agreements.

Lengthy discussion followed with no action taken.

3.2 Review and comment on the approach being taken for the modeling baseline for the EIR/EIS analysis.

Ms. Forsythe provided an overview of the approach being taken for the modeling baseline for the EIR/EIS analysis and spoke to the following:

Key Operational Analysis Factors – Baseline

- Baseline Considerations.
- Potential Modeling Baseline Approaches Considered.
- ROC on LTO Alternative 1/Proposed Action Baseline.
- SWP ITP Alternative 2b/Proposed Project Baseline.
- DCR2019 Combined ROC on LTO and SWP ITP Baseline.
- Proposed Approach:
 - Continue development with ROC on LTO baseline.
 - Incorporate SWP ITP actions after release of final DCR2019.
- This approach provides:
 - The most defined and expedient starting point for analysis of Sites Project operations.
 - Best represents Shasta Lake tiered cold water pool management.
 - Use of the merged Sites version of the model developed for the Reclamation Feasibility Report will expedite model development.
- Operations criteria for SWP ITP actions will be incorporated based on DCR2019 as soon as available.
- Conduct additional gap and sensitivity analyses to evaluate additional operations that are needed to support the Sites Project planning and permitting process.
- Continue to evaluate approach and modify as necessary.

Discussion followed with no action taken.

3.3 Review and Comment on Credit Reimbursement Policy (Policy) Revisions. **(Attachment A)**

Ms. Traynham provided an overview of the Draft Funding Credit and Reimbursement Policy revisions. She spoke to the most significant changes proposed in the draft revised Policy as follows:

- Section 6 "Participation Priority".
- Section 10.3 "Limitation on Reimbursements".
- New/added Section 14 "Provision for Buy-in After Phase 1".
- New/added Section 15 "Provision for Phase 2 Rebalancing and True-up Process".

Mr. Brown provided an explanation of the hypothetical examples of the Credit & Reimbursement between Phase 2A and Phase 2B. Discussion followed.

Ms. Traynham stated comments are being requested from the participants by July 22, 2020 and will return with any revisions/modifications to the Funding Credit and Reimbursement Policy at the August 21, 2020 meeting for further consideration.

3.4 Receive status update on preliminary participation levels, outreach efforts related to maintaining project subscription in Second Amendment to 2019 Reservoir Project Agreement (Amendment 2) and the process of rebalancing participation. **(Attachment A)**

Mr. Robinette provided an update on the preliminary participation levels and outreach efforts related to maintaining project subscription in Second Amendment to 2019 Reservoir Project Agreement and the process of rebalancing participation.

He requested an update from the current participants, and they responded as follows:

1. Antelope Valley East Kern WA – expect will maintain same level per Mr. Kunde.
2. Carter Mutual Water Company – no response.
3. City of American Canyon – scheduled to go before Counsel August 18, 2020, but to remain at same level.
4. Coachella Valley Water District – 14,000 ac feet and scheduled Board meeting September 8, 2020.
5. Colusa County – approved.
6. Colusa County WD – committed to 6,000 ac. feet.
7. Cortina WD – maintain same level.

8. Davis Water District – maintain same level – meeting scheduled first week of August 2020.
 9. Dunnigan WD – no change, stay at the same level.
 10. Desert WA – level to remain the same, no date for Board meeting yet.
 11. Glenn Colusa Irrigation District – Budget meeting scheduled for August 20, 2020.
 12. LaGrande Water District – maintain same level.
 13. Metropolitan Water District of Southern California – No decision at this time, will be taking to Board in October 2020.
 14. RD-108 – approved 4,000 ac. feet and signed agreement.
 15. San Bernardino Valley Municipal Water District – approved.
 16. San Geronimo Pass Water Agency – 10,000 ac. feet and signed agreement, maybe 14,000 ac. feet total.
 17. Santa Clara Valley WD – Board meeting scheduled in August 2020.
 18. Santa Clarita Valley Water Agency – August 21, 2020 Board to discuss, 5,000 ac feet and consider increase to 10,000 ac. feet.
 19. Westside Water District – 2,000 ac. feet and sign agreement early September 2020.
 20. Zone 7 Water Agency – approved for 10,000 ac. feet.
 21. Wheeler Ridge-Maricopa WSD – July 27, 2020 meeting, have response by August 7, 2020, expecting to stay at the same level maybe more.
- Mr. Kunde stated Pacific Resources has expressed interest in 10,000 ac. feet, possibly more. Brief discussion followed with no action taken.

Executive Director Brown stated Agenda Item 3.5 and 3.6 would be considered at the same time. He provided a brief update on the following:

- 3.5 Review and comment on the July 2020 Quarterly Update of the plan and schedule for addressing the Organizational Assessment findings and recommendations. **(Attachment A) and**

Executive Director Brown briefly spoke to the matrix included in the agenda packet and a status update of progress made.

- 3.6 Review and comment on the Strategic Planning Session Draft Agenda. **(Attachment A)**

Executive Director Brown provided a brief update on the Strategic Planning Session Draft Agenda and reminded all that the Strategic Planning Session would be held on August 13, 2020 and encouraged everyone to attend/virtually or in person.

4. Reports:

4.1 Member's Reports:

4.1.1 Chairpersons' Report:

This time is set aside to allow the Chair/Co-Chair an opportunity to disclose/discuss items related to the Sites Project.

Vice-Chairman Davis encouraged all to participate in Strategic Planning Session scheduled for August 13, 2020.

4.1.2 Workgroup Chairpersons' Report:

This time is set aside to allow the Workgroup Chairpersons' an opportunity to disclose/discuss items related to the Sites Project.

Reservoir Ops & Engineering Workgroup

Mr. Kunde provided a brief update on the July 1, 2020 meeting regarding The status of various matters. He stated the next meeting will be held on July 27, 2020.

4.1.3 Reservoir Committee Participant Reports:

This time is set aside to allow Representatives or their Alternates an opportunity to disclose/discuss items related to the Sites Project.

Mr. Kunde requested an update on the Settlement Agreements.

Chairman Bettner stated no updates are available at this time. Brief discussion followed with no action taken.

4.2 Executive Director's Reports:

- Welcome Mr. Lance Eckhart on board.
- Monthly status report. **(Attachment A)**
- Update on the Town Hall meetings.
- Provided an update on CWC actions as follows:
 - Update on the Six Agency Letter.
 - No action taken on changing the 01/01/22 deadline (taken off table).
 - Facebook post by a group "Save Our Salmon" in opposition to the Sites Project.
 - Project Objective and Alternatives.

RECESS:

Chairman Bettner declared a recess at 3:32 p.m., and convened into Closed Session to consider the following matter:

5. **Closed Session**

- 5.1 Executive Director's Three-Month Performance Review (Govt. Code § 54954.5(e)).

Chairman Bettner adjourned Closed Session at 4:03 p.m. and reconvened into Open Session.

Chairman Bettner announced there was no reportable action taken on the Closed Session matter regarding the Executive Director's Three-Month Performance Review (Govt. Code Section 54954.5(3)).

6. **Future Meetings and Schedules:**

- 6.1 Suggested Future Agenda Items.

None.

- 6.2 Upcoming meetings:

Strategic Planning Session

August 13, 2020
TBD

(Teleconferencing and video link will be provided as an option)

Reservoir Committee

Friday, August 21, 2020 9:00 AM
Sites Project Office, 122 Old Highway 99W Maxwell, CA 95955
(Teleconferencing and video link will be provided as an option)

Authority Board

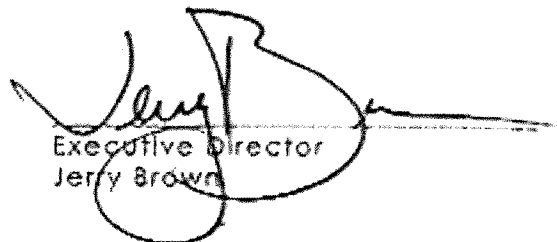
Wednesday, July 22, 2020 1:30 pm
Sites Project Office
(Teleconferencing and video link will be provided as an option)

Wednesday, August 26, 2020 1:30pm
Sites Project Office
(Teleconferencing and video link will be provided as an option)

Chairman Bettner adjourned the meeting at 4:05 p.m.



Chairman
Thad Bettner



Executive Director
Jerry Brown

Roll Call

Current Voting Committee Participants (21):

	Pct	Participant		Pct	Participant
<input checked="" type="checkbox"/>	3.42	American Canyon, City	<input checked="" type="checkbox"/>	2.64	LaGrande WD (1)
<input type="checkbox"/>	2.51	Antelope Valley-East Kern WA	<input checked="" type="checkbox"/>	15.34	Metropolitan WD
<input type="checkbox"/>	2.46	Carter MWC	<input checked="" type="checkbox"/>	3.42	Reclamation District 108 (1)
<input checked="" type="checkbox"/>	4.97	Coachella Valley WD	<input checked="" type="checkbox"/>	7.93	San Bernardino Valley MWD
<input checked="" type="checkbox"/>	4.97	Colusa County	<input checked="" type="checkbox"/>	6.01	San Gorgonio Pass WA
<input checked="" type="checkbox"/>	5.49	Colusa Co. WD	<input checked="" type="checkbox"/>	6.53	Santa Clara Valley WD
<input checked="" type="checkbox"/>	2.50	Cortina WD (1)	<input checked="" type="checkbox"/>	3.67	Santa Clarita Valley WA
<input checked="" type="checkbox"/>	2.90	Davis WD	<input checked="" type="checkbox"/>	6.27	Westside WD
<input type="checkbox"/>	0.00	Department of Water Resources (non-voting)	<input checked="" type="checkbox"/>	3.17	Wheeler Ridge-Maricopa WSD
<input checked="" type="checkbox"/>	4.06	Desert WA	<input checked="" type="checkbox"/>	0.00	US Bureau of Reclamation (non-voting)
<input checked="" type="checkbox"/>	3.09	Dunnigan WD (1)	<input checked="" type="checkbox"/>	4.97	Zone 7 WA
<input checked="" type="checkbox"/>	3.68	Glenn-Colusa ID	100.00 Total		

19. Voting members represented at Meeting start

95.03% Represented participation percentage

Representation has been delegated as follows:

(1) To Jamie Traynham, Davis WD

(+) Not present after _____

◆

NOTE 1: Participation by phone is not counted in quorum or voting unless their meeting location was included in the agenda or their participation is designated by ◆.

Status: Issued for use
 Purpose:
 Caveat 1
 Caveat 2 Subject to revision

Version: 0
 Date: 2020 July 16
 Ref/File #:
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Current Voting Reservoir Committee Participants (21):

<i>Participant</i>	<input checked="" type="checkbox"/> <i>Representative</i>	<input checked="" type="checkbox"/> <i>Alternate</i>	<i>Others</i>
American Canyon, City	<input checked="" type="checkbox"/> Rick Kaufman	<input type="checkbox"/> Felix Hernandez III Jason Holley	
AVEK WA	<input type="checkbox"/> Dwayne Chisam	<input type="checkbox"/> Dan Flory	
Carter MWC	<input type="checkbox"/> Ben Carter	<input type="checkbox"/> Ann Carter	
Coachella Valley WD	<input checked="" type="checkbox"/> Robert Cheng	<input checked="" type="checkbox"/> Ivory Reyburn	
Colusa County.	<input checked="" type="checkbox"/> Mike Azevedo	<input type="checkbox"/> Gary Evans	
Colusa Co. WD	<input checked="" type="checkbox"/> Shelley Murphy	<input type="checkbox"/> Joe Marsh	
Cortina WD	<input type="checkbox"/> Jim Peterson	<input type="checkbox"/> Chuck Grimmer	Jamie Traynham
Davis WD	<input checked="" type="checkbox"/> Jamie Traynham	<input type="checkbox"/> Tom Charter	
Desert WA	<input type="checkbox"/> Mark Krause	<input checked="" type="checkbox"/> Steve Johnson	
Dunnigan WD	<input type="checkbox"/> Bill Vanderwaal	<input type="checkbox"/>	Jamie Traynham
Glenn-Colusa ID	<input checked="" type="checkbox"/> Thad Bettner	<input type="checkbox"/> Don Bransford	
LaGrande WD	<input type="checkbox"/> Zach Dennis	<input type="checkbox"/> Ken LaGrande	Jamie Traynham
Metropolitan WD	<input type="checkbox"/> Randall Neudeck	<input checked="" type="checkbox"/> Chandra Chilmakuri	
RD 108	<input type="checkbox"/> Bill Vanderwaal	<input type="checkbox"/> Blair Lewis	
San Bernardino V MWD	<input type="checkbox"/> Bob Tincher	<input checked="" type="checkbox"/> Heather Dyer	
San Geronio Pass WA	<input type="checkbox"/> Jeff Davis	<input checked="" type="checkbox"/> Lance Eckhart	
Santa Clara Valley WD	<input checked="" type="checkbox"/> Cindy Kao	<input checked="" type="checkbox"/> Eric Leitterman	
Santa Clarita Valley WA	<input checked="" type="checkbox"/> Dirk Marks	<input type="checkbox"/> Steve Cole	
Westside WD	<input checked="" type="checkbox"/> Allan Myers	<input checked="" type="checkbox"/> Dan Ruiz	
Wheeler Ridge-Maricopa WSD	<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 <input checked="" type="checkbox"/> Wes Mercado <input checked="" type="checkbox"/> Valerie Pryor	

Non-Voting Committee Participants (2):

<i>Participant</i>	<input checked="" type="checkbox"/> <i>Representative/Other</i>	<input checked="" type="checkbox"/> <i>Alternate/Other</i>	
Dept of Water Resources	<input type="checkbox"/> Rob Cooke	<input type="checkbox"/> David Sandino	
	<input type="checkbox"/> Ajay Goyal	<input type="checkbox"/> Jim Wieking	<input type="checkbox"/> Dave Arrate
Bureau of Reclamation	<input type="checkbox"/> Richard Welsh	<input checked="" type="checkbox"/> Don Bader	<input type="checkbox"/> Chris Duke
	<input checked="" type="checkbox"/> Ryan Davis	<input type="checkbox"/> Derya Sumer	<input type="checkbox"/> Mike Mosley
	<input checked="" type="checkbox"/> Natalie Wolder	<input type="checkbox"/> David Van Rijn	<input type="checkbox"/> Shana Kaplan

Authority, Non-Signatory (6):

<i>Participant</i>	<input checked="" type="checkbox"/> <i>Representative</i>	<input checked="" type="checkbox"/> <i>Alternate</i>
Glenn County	<input type="checkbox"/> John Viegas	<input type="checkbox"/>
PCWA	<input type="checkbox"/> Ed Horton	<input type="checkbox"/> Ben Barker <input type="checkbox"/> Darin Reintjes
Roseville	<input checked="" type="checkbox"/> Sean Bigley	<input type="checkbox"/> Trevor Joseph <input checked="" type="checkbox"/> Jason Marks
Sacramento, City of	<input type="checkbox"/> Jeff Harris	<input type="checkbox"/> Anne Sanger
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:

<input checked="" type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input checked="" type="checkbox"/> Jerry Brown	Executive Director
<input checked="" type="checkbox"/> Forsythe, Ali	Sites Project Authority
<input checked="" type="checkbox"/> Spesert, Kevin	Sites Project Authority

<input checked="" type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input checked="" type="checkbox"/> Trapasso, Joe	Sites Project Authority
<input checked="" type="checkbox"/> Tirado, Yolanda	Board Clerk
<input checked="" type="checkbox"/> Kivett, Marcia	Admin

Consultants:

<input checked="" type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input type="checkbox"/> Alexander, Jeriann	Fugro
<input type="checkbox"/> Boling, Robert	HDR
<input type="checkbox"/> Briard, Monique	ICF
<input type="checkbox"/> Floyd, Kim	Floyd
<input checked="" type="checkbox"/> Herrin, Jeff	AECOM
<input checked="" type="checkbox"/> Heydinger, Erin	HDR
<input checked="" type="checkbox"/> Katz, Sara	Katz & Associates
<input checked="" type="checkbox"/> Kuney, Scott	Young Wooldridge

<input checked="" type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input checked="" type="checkbox"/> Luu, Henry	HDR
<input checked="" type="checkbox"/> McDonald, Connor	CMD West
<input checked="" type="checkbox"/> Robinette, JP	Brown & Caldwell
<input type="checkbox"/> Rude, Peter	Ch2m
<input type="checkbox"/> Spranza, John	HDR
<input type="checkbox"/> Tull, Rob	Ch2m
<input type="checkbox"/> Warner Herson, Laurie	Phenix
<input checked="" type="checkbox"/> Westcot, Cathy	HDR

Reservoir Committee Meeting

2020 July 16

Other Attendees:

<i>Name</i>	<i>Representing</i>	<i>Contact (Phone & E-mail)</i>
Laura Nicholson	Office of Senator Nielson	
Juleah Cordi	Office of Assemblyman James Gallagher	
Scott Brown	Larsen Wurzel	
Katrina Jessop	Valley Water	
Jeff Brown		
Dee Bradshaw	MET	
Charles Gardiner	Catalyst Group	
Alex Vdovichenko	DWR	
Grace Lui	Fugro	