

Sites Reservoir Committee Meeting

Agenda Item 03-03: Draft Phase 2 Amendment 3
Work Plan

August 20, 2021

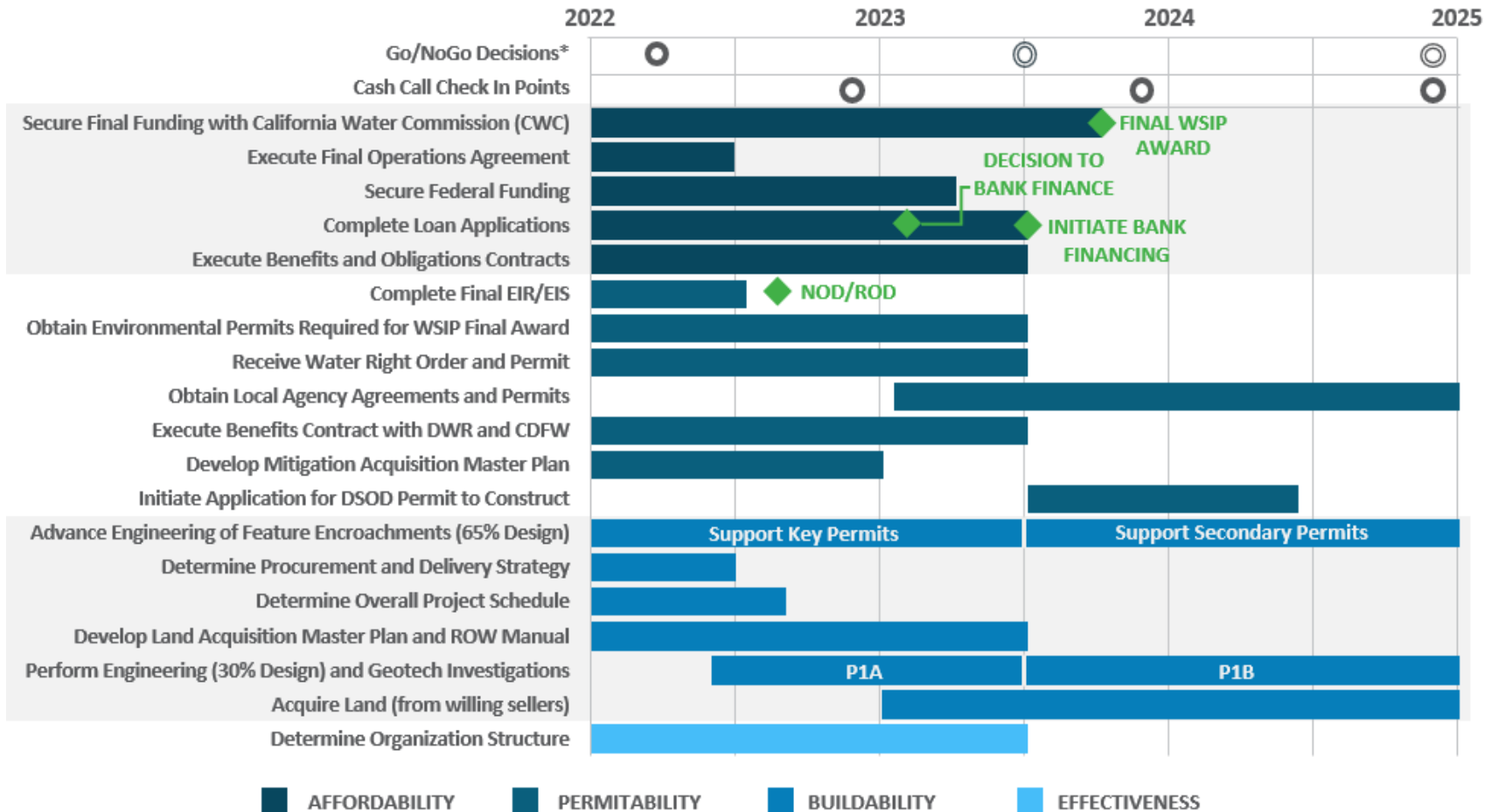
Background

- Work Period: Jan 1st, 2022 through Dec 31st, 2024
- Culmination of many months of decisions and discussions regarding the direction of the Project
 - April Board Meeting
 - Org Chart
 - Work Plan Goals and Objectives
 - May Board Meeting
 - Initial Amendment 3 Expense and Cash Flow Estimate
 - June Board Meeting
 - Decision to Proceed with 36-month Work Plan
 - July Board Meeting
 - Approval of Budget Policy (effective Jan 1st, 2022)
 - Ongoing Plan of Finance Strategy and Workshops

Key Assumptions

- Work Plan assumes a 36-month period of performance
 - Cash calls fund a participants share of all Amendment 3 costs
 - Bank Financing would trigger a new work plan & agreement
- Federal Funding (WIIN Act) is based on best information available
 - Currently estimating \$50M over 36-month work plan
 - Funding beyond Dec 31, 2021 is not currently under contract
 - Timing and quantity of disbursements is yet to be defined

Amendment 3 – Key Deliverables



* ○ FINAL GO/NO GO DECISION WILL ONLY OCCUR AT ONE OF THESE TWO POINTS PRIOR TO BANK FINANCING

Revenue Assumptions

Table 3. Forecasted Revenue by Source

Work Plan Funding Source	2022	2023	2024	Amendment 3 Total
Carry-over Funds (Projected 1/1/2022)	\$6,000,000	--	--	\$6,000,000
Reservoir Committee Cash Calls	\$16,762,000	\$23,467,000	\$26,819,000	\$67,048,000
Authority Board Seats	\$505,000	\$505,000	\$505,000	\$1,515,000
Federal (WIIN Act) Funding	\$10,000,000	\$20,000,000	\$20,000,000	\$50,000,000
State (Prop 1 [WSIP])	\$18,300,000	--	--	\$18,300,000
Total Revenue	\$51,567,000	\$43,972,000	\$47,324,000	\$142,863,000

Cash Call Schedule:

- \$100/AF, invoiced April 1, 2022
- Up to \$140/AF, invoiced January 1, 2023
- Up to \$160/AF, invoiced January 1, 2024

Expense Estimates

Table 4. Budgets by Subject Area

Subject Area	2022	2023	2024	Amendment 3 Total
Communications	\$477,000	\$477,000	\$495,000	\$1,449,000
Engineering	\$18,715,000	\$30,516,000	\$20,485,000	\$69,716,000
External Affairs	\$273,000	\$273,000	\$282,000	\$828,000
General Project Activities	\$620,000	\$545,000	\$565,000	\$1,730,000
Permitting	\$7,503,000	\$4,731,000	\$2,595,000	\$14,829,000
Planning	\$5,092,000	\$1,212,000	\$278,000	\$6,582,000
Program Operations (Ops)	\$8,594,000	\$7,440,000	\$5,690,000	\$21,724,000
Real Estate	\$902,000	\$903,000	\$935,000	\$2,740,000
Total	\$42,176,000	\$46,097,000	\$31,325,000	\$119,598,000

Expense Pie Chart – By Subject Area

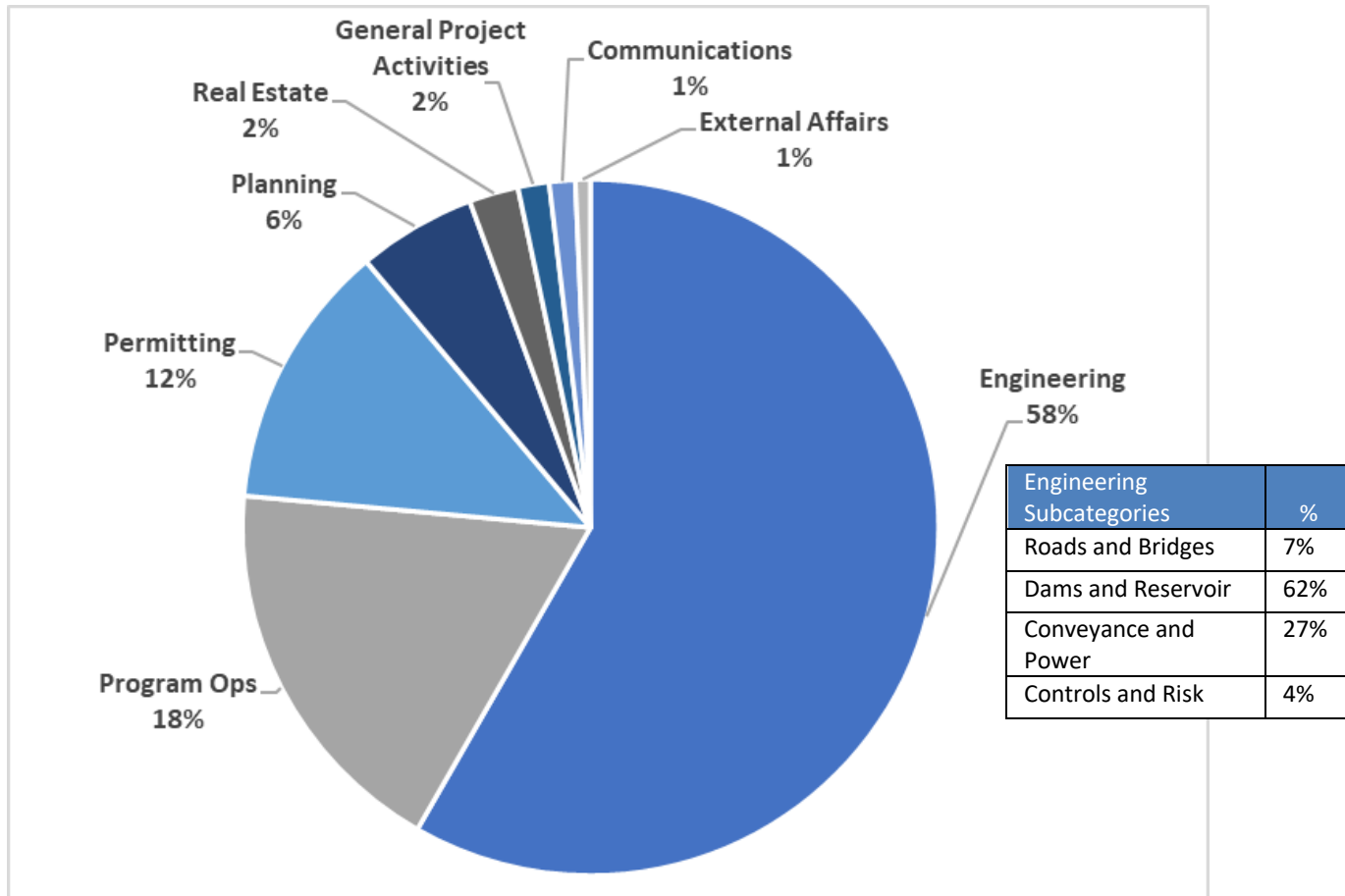
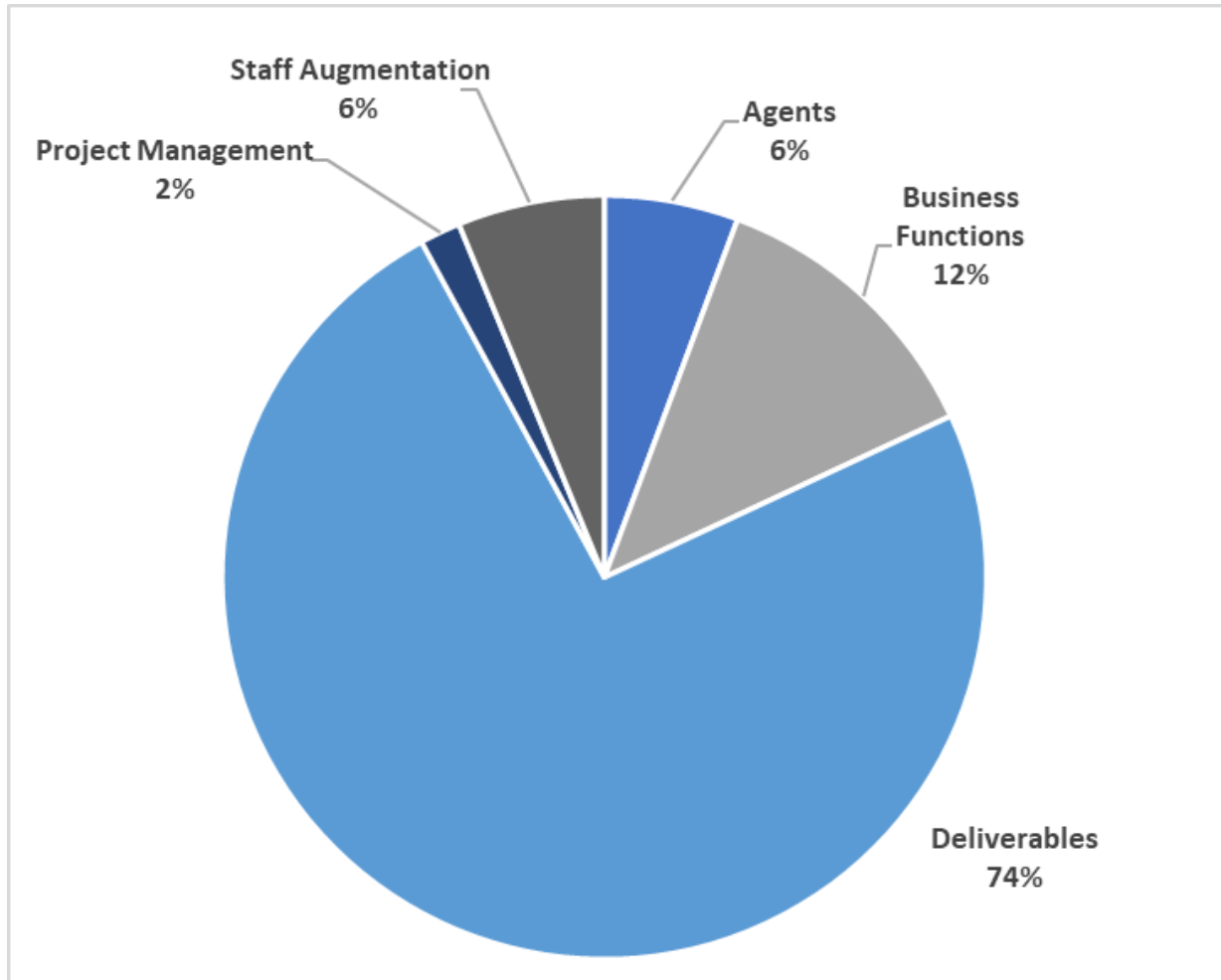


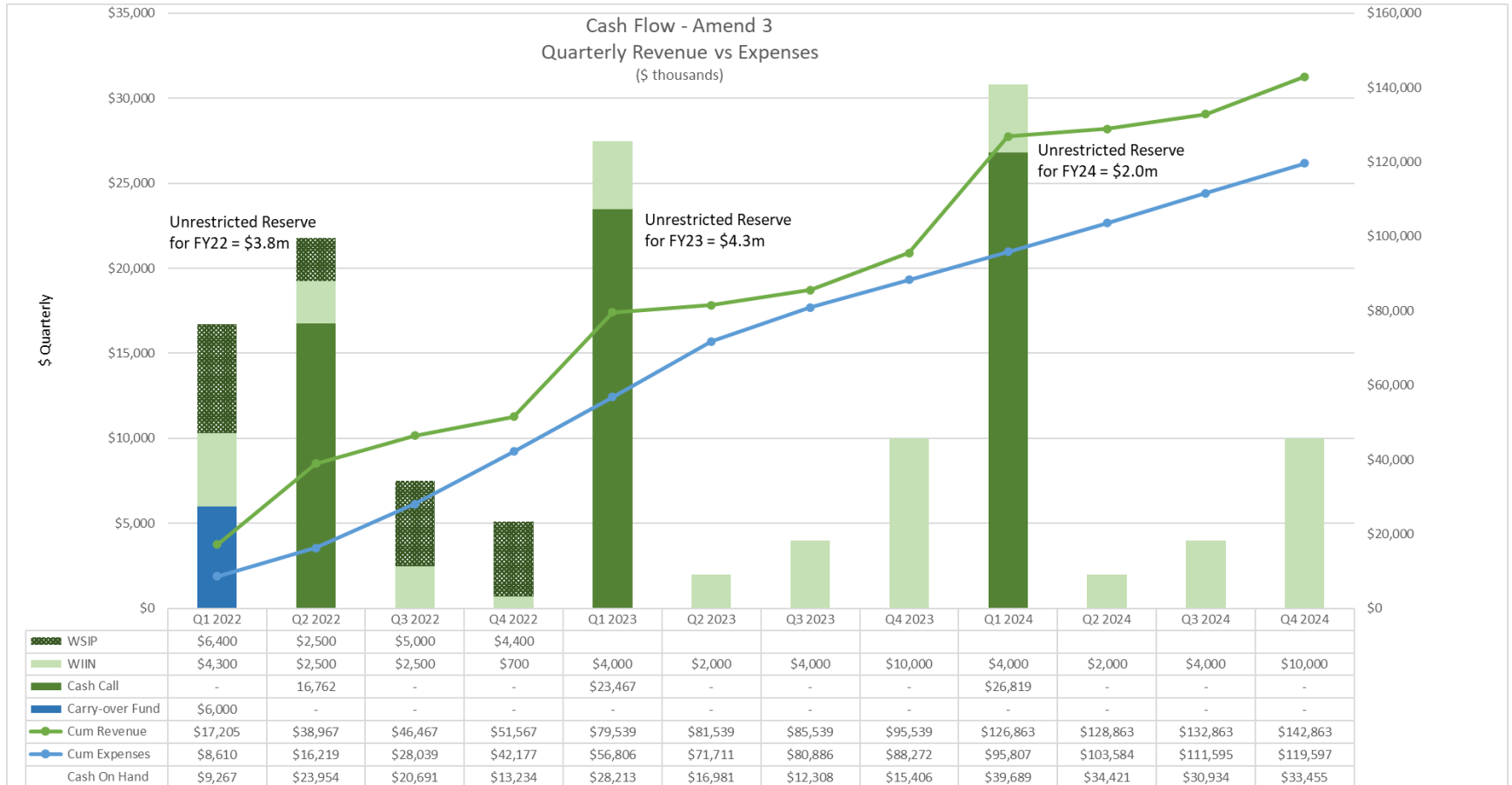
Table 1. Work Plan Key Deliverables

Key Deliverable by Subject Area*	Target Completion (Months)			Notes
	12	18	36	
<u>Engineering</u>				
Initiate Application for Permit to Construct from DSOD		✓		
Advance Engineering of Project Feature Encroachments to 65% Design Level in Support of Permitting		✓	✓	Key permit support in first 18 months
Determine Procurement and Delivery Strategy	✓			
Determine Overall Project Schedule	✓			
Preliminary Engineering (30% design level) and P1A/P1B Geotechnical Investigations		✓	✓	Complete P1A in first 18 months
<u>Program Ops</u>				
Execute Benefits Contracts with DWR and CDFW		✓		
Secure Final Funding with CWC			✓	
Execute Final Operations Agreement with Facility Partners, and Federal and State Agencies	✓			
Secure Federal Funding		✓		
Complete Loan Applications		✓	✓	Dependent on bank financing decision
Determine Organization Structure		✓		
Execute Benefits and Obligations Contracts		✓	✓	Dependent on bank financing decision
<u>Permitting</u>				
Obtain Environmental Permits Required for WSIP Final Award		✓		
Develop Mitigation Acquisition Master Plan	✓			
Receive Water Right Order and Permit		✓		
Obtain Local Agency Agreements and Permits			✓	
<u>Planning</u>				
Complete Final EIR/EIS	✓			NOD & ROD in August 2022
<u>Real Estate</u>				
Develop Land Acquisition Master Plan and ROW Manual		✓		
Acquire Land (from willing sellers)			✓	

Expense Pie Chart – By Management Type



Cash Flow Analysis



Questions?

