



Topic: **Reservoir Committee Agenda Item 2-1** **2018 June 21**

Subject: **Monthly Status Report**

Requested Action:

No action requested. Informational item.

Detailed Description/Background:

General Manager and staff to provide an update on project activities for May 2018 for; Program Management & Administration, Engagement & Outreach, Proposition 1, Environmental, Feasibility Study, and Engineering and Technical Support.

Prior Reservoir Committee Action:

None.

Fiscal Impact/Funding Source:

None

Staff Contact:

Jim Watson

Attachments:

Attachment 2-1A: May 2018 Status Report

Topic: **Sites Reservoir Project, Phase 1**

Subject: **Monthly Status Report**

Report Period: **2018 May**

Summary:

The Program continues to make progress in the critical areas associated with the rebalancing process, development of a plan to finance Phase 2, engaging with the Water Commission on aspects of the WSIP application; engaging with Reclamation on the requirements for an application for potential WIIN Act funding; development of the Phase 2 work plan, development of new Phase 2 participation agreements; and development of the process and documents needed to procure resources at the start of Phase 2. In addition, the remaining Phase 1 budget has been reprioritized and critical tasks are continuing and new tasks are starting.

The following highlights the status of activities conducted during the month of May 2018:

Program Management & Administration:

Phase 2 Participation Agreements: Work has started to develop internal working draft participation agreements between the Authority and Reservoir Committee participants. The agreement will include interim financing requirements that align with the draft finance strategy.

Financials:

- Finance Plan: Continuing to Develop both the project-level and interim finance plans, which are needed to support having the interim financing available by the end of the year.
- Financial Audit: Financial auditor has provided a draft 2016 audit report for review and comment. A draft 2017 audit report will be issued as soon as the 2016 audit report is finalized. Both final audit reports will be submitted to the Authority Board for approval at the July meeting.

Funding Sources: Continuing to pursue other funding sources that could be in addition to the State’s WSIP and section 4007(c) of the WIIN Act (Water Storage). In addition to preparing a loan application for USDA’s consideration, a DOE grant for technical assistance related to hydropower is being evaluated as well as the applicability of section 4011(e) of the WIIN Act.

Procurements:

- Contract: Staff are finalizing a standardized contract to be used as the basis to retain resources for Phase 2. The contract is being structured as master services-type agreements where specific task orders will be negotiated to define the requirements; such as scope, schedule, cost, and quality.
- Phase 2 Services: Staff continued to define the process and prepare a Request for Qualifications that will enable consultants to propose in nine different service areas. One solicitation is planned to retain professional services needed to support the nine service areas identified.

Status: Issued for Use
Purpose: Informational.
Caveat: Subject to change
Notes:

Preparer: RDT, JAT, KMS
Checker: Watson
QA/QC:

Phase: 1 Version: 0
Date: 2018 June 18
Ref/File #: 10.211-016.000
Page: 1 of 2

Phase 2 Work Plan: Staff continues to develop a proposed work plan and associated cash flow for use in the development of the finance plan, the Phase 2 Participation Agreements, and the development of the fiscal year 2019 budget.

Engagement & Outreach:

Continuing to coordinate with landowners, media outlets, state and federal elected officials, and coalitions of regional and statewide organizations; to plan and facilitate meetings and site tours with program stakeholders; and to conduct research into the rich history of the project area.

Conducted project presentations and project site tours for USDA Rural Development staff, and Senator Kamala Harris' district staff. Initiated preparation of new collateral materials, developed talking points related to the updated PBR score and preliminary total CWC component scores, and updated social media and website content.

Responded to inquiries from stakeholders, media, and elected officials regarding the status of the California Water Commission's revised technical evaluation related to the Sites Project's Public Benefit Ratio (PBR) score and the overall component scores.

Monthly Website Usage: 1,204 unique users or visitors and 1,720 times they visited.

Proposition 1 (WSIP) Application:

Participated in the 3-day project-level review meetings by the Water Commission (May 1-3) to finalize the technical recommendations for Public Benefit Ratio, which is the first of four component scored needed to determine a return on investment score. Also attended the monthly Water Commission meeting (May 23).

Provided comments to the Commission's staff regarding their proposed Early Funding Agreement.

Federal Feasibility Report:

Coordinated with Reclamation to 1) support their request for FY19 funds, 2) further develop the terms of the Principles of Agreement, 3) update the Cooperative Agreement and 4) prepare an application for consideration of federal funding as authorized in the WIIN Act for a locally-led water storage project.