



Topic: **Reservoir Committee Agenda Item 2-1** **2018 July 20**

Subject: **Monthly Status Report**

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**Requested Action:**

No action requested. Informational item.

**Detailed Description/Background:**

General Manager and staff to provide an update on project activities for June 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 A: June 2018 Status Report

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

Subject: **Monthly Status Report**

Report Period: **2018 June**

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### Monthly Status 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 the proposed Phase 2 Reservoir Project Agreement and development of the process and documents needed to procure resources at the start of Phase 2. In addition near-term critical tasks are continuing, and new tasks are starting.

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

### Program Management & Administration:

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.

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

### Financials:

- Finance Plan: Continuing to develop both the interim and construction finance plans, which are needed by the end of the year to support the start of Phase 2.
- Financial Audit: The fiscal years 2016 and 2017 audit reports have been completed by the Fechter & Company, CPAs. In the firm’s opinion, the financial statements presented fairly, in all material respects, the financial position of the Authority (and Reservoir Committee) as of December 31, 2016 and December 31, 2017, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.
- Funding Sources: Continuing to pursue funding and financing sources that could be in addition to the State’s WSIP and section 4007(c) of the WIIN Act (Water Storage). Staff are evaluating the applicability of section 4011(e) of the WIIN Act to potentially provide funding in the latter stages of Phase 2 and preparing an application for a DOE grant for technical assistance related to hydropower is being.

### Procurements:

- Standard Services Contract: Legal and staff prepared a Consulting Services Agreement. This Agreement will be used for consultants providing services during Phase 2.

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Status:	Issued for Use	Preparer:	RDT, JAT, KMS	Phase:	1	Version:	0
Purpose:	Informational.	Checker:	Watson	Date:	2018 June 18		
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- Phase 2 Services: Staff continued to define the process and prepare a Request for Qualifications that will enable consultants to submit their qualifications and other information in nine different service areas. A work group has been working with staff to refine the scope-of-services and selection process.

**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.

Initiated preparation of new collateral materials including a salmon benefits fact sheet and project operations animation. Provided input to the Rice Commission's radio spot with the Armstrong and Getty radio program and an Op-Ed for publication in the Sacramento Bee regarding the importance of the states investment in the Sites Project.

Responded to inquiries from stakeholders, media, and elected officials regarding the status of the California Water Commission's technical evaluation related to the Sites Project's final component scores

Monthly Website Usage: 908 unique users or visitors and 1,326 times they visited.

**Proposition 1 (WSIP) Application:**

Participated with Water Commission staff in a technical review of the staff's evaluation (June 7) and a WSIP-determinations webinar (June 20). Participated in, the Water Commission 2-day project-level review meetings (June 27-28) to approve the three remaining component scores (non-monetized benefits, relative-environmental-values, resiliency and implementation risk) needed to calculate a return on investment scores, make determinations, and accept agency findings.

**Federal Feasibility Report:**

Coordinated with Reclamation to 1) support their request for FY2019 funds, 2) further develop the process to advance the working draft Operational Principles of Agreement, 3) update the Cost-Sharing Agreement, 4) preparation of the federal Feasibility Report (due August 2018), and 5) prepare an application for consideration of federal funding as authorized in the WIIN Act for a locally-led water storage project.