



Topic: **Authority Board Agenda Item 3-1**

2018 Sept 17

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 August 2018 for; Program Management & Administration, Engagement & Outreach, Proposition 1, Environmental, Feasibility Study, and Engineering and Technical Support.

Prior Authority Board Action:

None.

Fiscal Impact/Funding Source:

None

Staff Contact:

Jim Watson

Attachments:

Attachment A: August 2018 Status Report

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

Subject: **Monthly Status Report**

Report Period: **2018 August**

Monthly Status Summary:

The development of the Sites Project continues to make progress in the critical areas associated with the rebalancing process, Phase 2 financing plan, engaging with the Water Commission on aspects of the WSIP Early Funding and quarterly reporting; supporting Reclamation on completion of the federal Feasibility Report, initiation of technical work within their FY2018 funding and the requirements for an application for potential WIIN Act funding; development of the overall Phase 2 work plan, the proposed Phase 2 Reservoir Project Agreement and the processes and documents needed to procure resources at the start of Phase 2, and progress on near-term critical tasks.

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

Program Management & Administration:

End of Phase 1: The Reservoir Committee (August 16) and Authority (August 20) approved a time extension to formally end Phase 1 on February 28, 2019.

Phase 2 Reservoir Project Agreement: Based on the time extension, a complete Agreement will be distributed by November 1, 2018 with participant's responses due by January 11, 2019. Feedback received since the July 9 and 10 workshops are being incorporated. The agreement will include interim financing requirements that align with the draft finance plan. In addition, the Authority and Reservoir Committee, respectively approved the Credit Reimbursement Policy.

Finance Plan:

- Feedback received since the July 9 and 10 workshops one meetings with participants are being incorporated to update both the interim and construction finance plans, which needs to be completed by November 1 to support the start of Phase 2. For the interim finance a second estimate of participation has been added to provide a range of Phase 2 participation costs based on a dollar/acre-foot. And, for the construction financing, a third repayment method has been added to estimate the Projects' repayment cost on a dollar/acer-foot basis and based on making interest payments until the Project is operable.
- Work continues to respond to comments received by USDA on the loan application, which was submitted on July 31. On August 24, updates to the preliminary engineering report, financial plan, and environmental documentation for compliance with NEPA and ESA associated with their actions were submitted.

Procurements:

- Phase 2 Services: Staff continued to refine the selection process and prepare the Request for Qualifications that will enable consultants to submit their qualifications and other information in nine different service areas. An ad hoc work group has been working with

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staff to refine the scope-of-services and selection process. The Reservoir Committee (August 16) and Authority (August 20) approved the release of the RFQ, which is scheduled for early September

- Bank Credit Facility RFP: Continue to finalize the Bank Credit Facility Request for Proposal. The Reservoir Committee (August 16) and Authority (August 20) approved the release of the RFP, which is scheduled for mid-September.

Engagement & Outreach:

Continuing to coordinate with landowners, media outlets, state and federal elected officials, government agencies and coalitions of regional and statewide organizations; to coordinate project activities with landowners and the project stakeholders, respond to requests for project information, and to plan and facilitate meetings and site tours.

Continued development of new collateral materials including the project operation animation. Conducted site tours for DOI/USBR staff, California Congressional delegation staff, and the USDA Rural Development Administrator and staff. Conducted and facilitated Sites Project presentations for the California Farm Bureau Leadership class and the Colusa County Farm Bureau's Ag Tour event. Submitted public notices for publication in the Pioneer Review for the Landowner/Community public meeting (9/5) and for the USDA loan application Notice of Availability (NOA) (9/29).

Proposition 1 (WSIP) Application:

Provided input to Water Commission staff on the Early Funding Agreement template. Met with CWC staff to discuss the Early Funding Agreement and quarterly reporting requirements. Initiated the preparation and submittal of initial documents to the CWC.

Coordination with Reclamation:

Continued coordination activities with Reclamation to 1) coordinate their request and potential legislation for the appropriation of FY2019 funds, 2) Coordinated with CVO, Planning and other offices to advance the working draft Operational Principles of Agreement, 3) prepared draft updates of applicable agreements, 4) participated in the review and update of the Feasibility Report (due August 31, 2018) and provided a briefing to the Policy Review Team, 5) worked with Reclamation's technical staff to develop a plan to advance the technical studies to support an updated cost estimate and implement early risk-reduction strategies, and 6) preparations to submit an application for consideration of federal funding as authorized in the WIIN Act for a locally-led water storage project.