

Meeting: **Phase 2 (2019) Reservoir Project Agreement**

2019 May 17

Subject: **Reservoir Committee Meeting**

9:30 AM–12:00 PM

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

Call in: 1-800-201-7439
Code: 644237

Chair: Doug Headrick (San Bernardino Valley Municipal Water District)

Vice Chair: Thad Bettner (Glenn-Colusa Irrigation District)

Treasurer Jamie Traynham (Davis Water District)

Minutes

9:00 AM – SPECIAL PRESENTATION:

A Sacramento Valley perspective on water management, by Mary Wells, Maxwell Irrigation District.

Mr. Spesert briefly spoke to how the idea of including Special Presentations came about and to Ms. Wells' accomplishments in the water industry and introduced Ms. Mary Wells.

Ms. Wells spoke to her growing up in the community of Merced and later moving to Maxwell, her education and her past/current work history in water management, impacts to her family and her support of the Sites Project and the value it brings to the Sacramento Valley. Discussion followed with no action taken.

General Manager Watson and Mr. Spesert thanked Ms. Wells for her support of the Sites Project and her willingness to be the first to present her perspective on water management.

General Manager Watson stated he would also like the Bay Area and South of the Delta's perspective on water management. Discussion followed with no action taken.

General Manager Watson stated the Chair and Vice-chair are not present and Treasurer Traynham will be chairing today's meeting.

CALL TO ORDER:

Treasurer Traynham called the meeting to order at 9:30 a.m., followed by the Pledge of Allegiance.

INTRODUCTIONS:

The Sites Reservoir Committee members, staff and members of the public introduced themselves.

ROLL CALL:

Roll was called (See Attachment A), which resulted in 19 eligible representatives. This equated to 95% of the current participation percentage being in attendance, which is greater than the 50% needed to have a quorum of the Reservoir Committee.

Participation by phone is not counted
in quorum or voting.

Status: Issued for Use
Purpose: Informational
Caveat 1: Subject to change
Caveat 2:

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General Manager Watson stated a revised staff report for Agenda Item 6.1 has been distributed to replace the Agenda item currently in the Agenda Packet and Attachment B Work Plan to Agenda Item 5.2 was not included at the time of posting and will also be distributed.

Mr. Kunde stated Agenda Item 12.2, the next Reservoir Committee meeting for June 20, 2019 shows it will be held in Maxwell and should actually be held in Sacramento. He noted that at the meeting on April 2019 a request was made to start the meeting at 1:30 p.m. vs 1 p.m. Brief discussion followed, with General Manager Watson stating he would have the location and time of the meeting time corrected and changed to have a 1:30 p.m. start time.

AGENDA APPROVAL:

It was moved by Davis, seconded by Flores to approve the May 17, 2019 Reservoir Committee Agenda, as corrected. The motion carried unanimously.

ATTENDANCE:

See Attachment B.

Treasurer Traynham stated she informed the Clerk as to some minor corrections to the April 18, 2019 Reservoir Committee Minutes.

MINUTES APPROVAL:

It was moved by Davis, seconded by Kunde to approve the April 18, 2019 Reservoir Committee Meeting Minutes, as corrected. The motion carried unanimously.

PERIOD OF PUBLIC COMMENT:

Treasurer Traynham called for public comment. Hearing none, she closed the period of public comment.

ANNOUNCEMENT OF CLOSED SESSION:

Counsel Doud announced the following Closed Session matters would be heard after the Regular Session:

Conference with legal counsel regarding significant exposure to litigation or adjudicatory proceedings (Government Code Section 54956.9(d)(2) and (4)) (2 items).

1. Members' Reports:

1.1 Chairpersons' Report: Headrick
None.

1.2 Reservoir Committee Participant Reports: Representatives
None.

2. CONSENT AGENDA

Watson

No Consent Items.

END OF CONSENT AGENDA**3. Manager's Report:**

Watson

- 3.1 Discussion and possible direction to staff regarding the Sites Project's monthly status report. (***Attachment 3-1A***)

General Manager Watson provided an overview of project activities performed in the month of April 2019, i.e., Phase 2 Agreement has been completed and are working on Exhibit B, the revised 2019 work plan, work progressing on updating the business systems and advancing the environmental permitting and reservoir operations analysis, April 1, 2019 met with Pacific Coast Federated Fisherman's Association, The Bay Institute, and other NGOs regarding their concerns on the Trinity River and the Sacramento River, April 2, 2019 provided a progress update to the North State Building Trades, progress report on the ACWA conference, staff worked on closeout of the Phase 1 unspent funds, and have implemented the contingency plan in terms of the revised 2019 budget. Brief discussion followed with no action taken.

- 3.2 Discussion and possible direction to staff regarding Proposition 1 WSIP application activities.

General Manager Watson provided an overview and review of the WSIP application i.e, finalized the WSIP Early Funding work plan, working on a draft invoice for work performed in first quarter of this year, also working on a second invoice for work performed last year, and the May 15, 2019 Water Commission Meeting with the only item related to WSIP was the Rancho California Water District's request for a consistency determination with Prop 1. Discussion followed with no action taken.

- 3.3 Discussion and possible direction to staff regarding the U.S. Bureau of Reclamation activities and WIIN Act Funding.

Mr. Dietl provided a brief update on ongoing activities of the Reclamation i.e., WIIN Act Funding.

4. 2019 Ad Hoc Budget & Finance Work Group:

Traynham

- 4.1 Accept the Treasurer's Report. (***Attachments 4-1A***)

Action: It was moved by Davis, seconded by Cheng to accept the Treasurer's Report, as submitted. The motion carried unanimously.

- 4.2 Approve the Reservoir Committee's portion of the monthly Payment of Claims. (***Attachments 4-2 A&B***)

Action: It was moved by Davis, seconded by Azevedo to approve the Reservoir Committee's portion of the monthly Payment of Claims, as submitted. The motion carried unanimously.

- 4.3 Consider approval of the revised Phase 2 (2019) Participation Agreement's Exhibit B. **(Attachment 4-3)**

General Manager Watson provided an overview of the revised Phase 2 (2019) Work Plan and spoke to the various reductions and/or increases to the budget items. He stated the Budget & Finance Work Group met on May 13, 2019 and reviewed and revised the Work Plan. Lengthy discussion followed regarding reductions/increases to the budget line items, availability of WIIN Act funds, permitting and completion of geotechnical work and WIFIA funding.

Mr. Kunde stated he is uncomfortable approving the Phase 2 (2019) Work Plan at this time and would like to have another Budget & Finance Work Group meeting to discuss this further. Following discussion, a majority of the Committee Members agreed to continue approval of the Revised 2019 Work Plan to the next Reservoir Committee Meeting in June for further consideration.

- 4.4 Consider approval of the disbursement of final phase 1 unspent funds and the remaining balance of contributed credit. **(Attachment 4-4 A, B&C)**

Treasurer Traynham provided an overview and review of the disbursement of final Phase 1 unspent funds and the remaining balance of contributed credit. Discussion followed regarding the process used to calculate amounts to be disbursed and obligation/responsibility of debt should the project not continue.

Mr. Neudeck requested a legal opinion regarding liability/responsibility of the \$6 million debt should the project not go forward.

General Manager Watson stated should the project off ramp there would be no further obligation, but that he would speak to Counsel about preparing such a memo.

Action: It was moved by Kunde, seconded by Cheng to accept settlement of Phase 1 Unspent Funds and approve recommendation to the Sites Project Authority Board to approve disbursement of final Phase 1 unspent funds and the remaining balance of contributed credits. The motion carried unanimously.

5. 2019 Ad Hoc Agreements & Contracts Work Group: Davis

- 5.1 Approve a recommendation to the Sites Project Authority Board to approve a contract with Forsythe Group, LLC for Environmental Planning & Permitting Manager (EPP) services. **(Attachment 5-1)**

Action: It was moved by Davis, seconded by Kao to approve a recommendation to the Sites Project Authority Board to approve a contract with Forsythe Group, LLC for Environmental Planning & Permitting Manager (EPP) services. The motion carried unanimously.

- 5.2 Consider approval of the Early Funding Agreement with the California Water Commission (CWC) and recommending the Sites Project Authority Board to also

consider approving the Early Funding Agreement and, if so approved, to authorize the General Manager to sign the Agreement. (**Attachment 5-2**)

Action: It was moved by Davis, seconded by Tincher to approve recommendation to the Sites Project Authority Board to approve the Early Funding Agreement with the California Water Commission (CWC) and, if so approved, to authorize the General Manager to sign the Agreement. The motion carried unanimously.

- 5.3 Consider a recommendation to the Sites Project Authority to cancel the section of RFQ No. 18-04 that is applicable to Service Area H: Engineering Services and proceed with a new RFQ for Service Area H.

Action: It was moved by Davis, seconded by Flores to approve a recommendation to the Sites Project Authority to cancel the section of RFQ No. 18-04 that is applicable to Service Area H: Engineering Services and to proceed with a new RFQ for Service Area H. Motion carried unanimously.

6. 2019 Ad Hoc Environmental & Permitting Work Group: Bettner

- 6.1 Consider approval of the Ad Hoc Environmental & Permitting Work Group's recommendation to publish the revised Draft Initial Study and related permit applications for the North of Delta Off-stream Storage/Sites Reservoir Feasibility Geotechnical Investigation, consistent with the comments and edits provided by the Work Group.

Action: It was moved by Kunde, seconded by Azevedo to authorize the General Manager to issue, consistent with the comments and edits of the Environmental & Permitting Work Group and approval of General Counsel, the "North of Delta Offstream Storage/Sites Reservoir Feasibility Geotechnical Investigation – Draft Environmental Assessment/Initial Study and Finding of No. Significant Impact/Negative Declaration" for public comment, and to submit the related permit applications and associated fees. The motion carried unanimously.

7. 2019 Ad Hoc Reservoir Operations Work Group: Ruiz/Kunde

- 7.1 Discussion and possible direction to staff regarding reservoir operations planning and modeling activities.

Mr. Kunde stated since the last meeting the Reservoir Committee Chair ~~Chair of the Operations Work Group~~ approved 10 members for the Work Group. He also stated the Work Group held a conference call on April 30, 2019 regarding status of regulatory processes and modeling work. He noted the next meeting of the Reservoir Operations Work Group will be held either May 21st or May 23rd.

8. 2019 Ad Hoc Water Facilities Work Group: Hartwig/Vanderwaal

- 8.1 Discussion and possible direction to staff regarding facility design and engineering activities.

In the absence of Representatives Hartwig and Vanderwaal, General Manager Watson provided an overview of the meeting held on May 13, 2019 by the Water Facilities Work Group on how they will process the facility design and engineering contract/s and RFQ, with no action taken.

9. 2019 Ad Hoc Site Facilities Work Group: Azevedo

9.1 Consider a recommendation to the Sites Project Authority to approve the Sites Project Authority's Real Property & Land Management Policy. (*Attachment 9-1*)

Action: It was moved by Azevedo, seconded by Tincher to approve a recommendation to the Sites Project Authority Board to approve the Sites Project Authority's Real Property and & Land Management Policy. The motion carried unanimously.

RECESS

Treasurer Traynham declared a recess at 11:20 a.m. and convened into Closed Session at 11:27 a.m., to consider the following matter:

10. Closed Session Kuney

10.1 Conference with legal counsel regarding significant exposure to litigation or adjudicatory proceedings (Government Code Section 54956.9(d)(2) and (4)) (2 items).

Treasurer Traynham adjourned Closed Session at 12:34 p.m., and reconvened into Regular Session.

11. Report from Closed Session Kuney

Counsel Doud stated as to the Conference with legal counsel regarding significant exposure to litigation or adjudicatory proceedings (Government Code Section 54956.9(d)(2) and (4)) (2 items), there was no reportable action taken.

12. Recap Watson

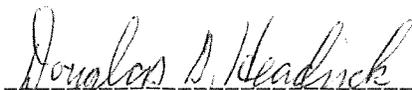
12.1 Agenda topics for next meeting?

General Manager Watson asked for a volunteer for next month's presentation on their perspective on water management. Flores and Kao (Bay Area) volunteered to do a presentation for the month of August 2019. Mr. Kunde volunteered to do a presentation for the month of June 2019.

12.2 Upcoming Reservoir Committee meetings:

Sites Reservoir Committee Meeting
Thursday, June 20, 2019 1:30 PM
Park Tower Conference Center (2nd Floor)
980 9th Street, Sacramento, CA 95814

The meeting adjourned at 12:38 p.m.


Chairman
Doug Headrick


General Manager
Jim Watson
2019 June 21

Attachment A to Meeting Minutes - Roll Call

Current Voting Committee Participants (21):

<input checked="" type="checkbox"/>	<i>Pct</i>	<i>Participant</i>		<input checked="" type="checkbox"/>	<i>Pct</i>	<i>Participant</i>	
<input checked="" type="checkbox"/>	3.42	American Canyon, City	(1)	<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	(2)
<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	(3)	<input checked="" type="checkbox"/>	6.53	Santa Clara Valley WD	
<input checked="" type="checkbox"/>	2.50	Cortina WD	(1)	P	3.67	Santa Clarita Valley WA	(2)
<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		<input checked="" type="checkbox"/>	3.17	Wheeler Ridge-Maricopa WSD	
<input checked="" type="checkbox"/>	4.06	Desert WA		P	0.00	US Bureau of Reclamation (phone)	
<input checked="" type="checkbox"/>	3.09	Dunnigan WD		<input checked="" type="checkbox"/>	4.97	Zone 7 WA	
<input checked="" type="checkbox"/>	3.68	Glenn-Colusa ID		<hr/> 100.00 Total			

19. Voting members represented at meeting start (See Note 1)

95 % Participation percentage represented

17. Voting members represented after Recess

81.1 % Participation percentage represented after Recess

(#) Not present after Recess

Representation has been delegated as follows:

- (1) To Traynham, Davis WD
- (2) To Kunde, WR-M WSD
- (3) To Azevedo, Colusa County

NOTE 1: Participation by phone are not counted in quorum or voting.

NOTE 2: Additional participants were on the phone, but did not identify themselves.

Attachment B to Meeting Minutes - Attendance

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 type="checkbox"/> Steve Hartwig	<input type="checkbox"/> Jason Holley	
AVEK WA	<input type="checkbox"/> Dwayne Chisam	<input type="checkbox"/> Dan Flory	
Carter MWC	<input type="checkbox"/> Ben Carter	<input type="checkbox"/>	
Coachella Valley WD	<input checked="" type="checkbox"/> Robert Cheng	<input type="checkbox"/> Ivory Reyburn	
Colusa County.	<input checked="" type="checkbox"/> Azevedo, Mike	<input type="checkbox"/> Gary Evans	
Colusa Co. WD	<input type="checkbox"/> Shelley Murphy	<input type="checkbox"/> Joe Marsh	
Cortina WD	<input type="checkbox"/> Jim Peterson	<input type="checkbox"/> Chuck Grimmer	
Davis WD	<input checked="" type="checkbox"/> Jamie Traynham	<input type="checkbox"/> Tom Charter	
Desert WA	<input checked="" type="checkbox"/> Mark Krause	<input type="checkbox"/> Steve Johnson	
Dunnigan WD	<input type="checkbox"/> Bill Vanderwaal	<input type="checkbox"/>	
Glenn-Colusa ID	<input type="checkbox"/> Thad Bettner	<input type="checkbox"/> Don Bransford	
LaGrande WD	<input type="checkbox"/> Zach Dennis	<input type="checkbox"/> Matt LaGrande	
Metropolitan WD	<input checked="" type="checkbox"/> Randall Neudeck	<input type="checkbox"/> Chandra Chilmakuri	
RD 108	<input type="checkbox"/> Bill Vanderwaal	<input type="checkbox"/>	
San Bernardino V MWD	<input type="checkbox"/> Doug Headrick	<input checked="" type="checkbox"/> Bob Tincher	
San Gorgonio Pass WA	<input checked="" type="checkbox"/> Jeff Davis	<input type="checkbox"/>	
Santa Clara Valley WD	<input checked="" type="checkbox"/> Cindy Kao	<input checked="" type="checkbox"/> Eric Leitterman	
Santa Clarita Valley Water Agency	P Dirk Marks	<input type="checkbox"/> Rick Viergutz	
Westside WD	<input checked="" type="checkbox"/> Allan Myers	<input type="checkbox"/> Dan Ruiz	
Wheeler Ridge-Maricopa	<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	

NOTE 1: Participation by phone is not counted in quorum or voting.

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

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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"/> Ajay Goyal	<input type="checkbox"/> Jim Wieking
Bureau of Reclamation	<input type="checkbox"/> Richard Welsh	<input type="checkbox"/> Don Bader
	<input type="checkbox"/> David Van Rijn	<input checked="" type="checkbox"/> Mike Dietl
	<input type="checkbox"/> Shana Kaplan	<input type="checkbox"/> Mike Mosley
		<input type="checkbox"/> Dave Arrate
		<input type="checkbox"/> Chris Duke

Pending Reservoir Committee Participants (0):

<i>Participant</i>	<input checked="" type="checkbox"/> <i>Representative</i>	<input checked="" type="checkbox"/> <i>Alternate</i>
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Authority, Non-Signatory (7):

<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"/>
Maxwell ID	<input checked="" type="checkbox"/> Mary Wells	<input type="checkbox"/>
PCWA	<input type="checkbox"/> Ed Horton	<input checked="" type="checkbox"/> Ben Barker
		<input type="checkbox"/> Darin Reintjes
Roseville	<input type="checkbox"/> Sean Bigley	<input type="checkbox"/>
Sacramento, City of	<input type="checkbox"/> Jim Peifer	<input type="checkbox"/> Dan Sherry
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 & Consultants:

<input checked="" type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input checked="" type="checkbox"/> Alexander, Jeriann Furgro	
<input type="checkbox"/> Barnes, Joe	AECOM
<input type="checkbox"/> Briard, Monique	ICF
<input type="checkbox"/> Brown, Doug	Stradling
<input type="checkbox"/> Brown, Scott	LWA
<input type="checkbox"/> Bruner, Marc	Perkins Coie
<input type="checkbox"/> Buttz, John	HDR

<input checked="" type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input type="checkbox"/> Campbell, Jeff	Project Controls Cubed
<input type="checkbox"/> Durbin, Gary	Brown & Caldwell
<input type="checkbox"/> Floyd, Kim	Floyd
<input type="checkbox"/> Frederiksen, Lee	HDR
<input checked="" type="checkbox"/> Herrin, Jeff	AECOM
<input type="checkbox"/> Heydinger, Erin	HDR
<input checked="" type="checkbox"/> Johns, Jerry	Johns

<input checked="" type="checkbox"/>	<i>Name</i>	<i>Representing</i>
<input type="checkbox"/>	Katz, Sara	Katz & Associates
<input type="checkbox"/>	Maggie Kido	HDR
<input type="checkbox"/>	Krivanec, Chris	HDR
<input checked="" type="checkbox"/>	Kuney, Scott	Young Wooldridge
<input type="checkbox"/>	Lewis, Debi	Stantec
<input type="checkbox"/>	McDonald, Connor	Bender Rosenthal
<input type="checkbox"/>	Montague, Doug	Montague DeRose Assoc.
<input type="checkbox"/>	Motamed, Farid	Fugro
<input type="checkbox"/>	Pallari, Kim	HDR
<input checked="" type="checkbox"/>	Robinette, JP	Brown & Caldwell
<input type="checkbox"/>	Rossetto, Sarah	Katz & Associates

<input checked="" type="checkbox"/>	<i>Name</i>	<i>Representing</i>
<input checked="" type="checkbox"/>	Spesert, Kevin	Sites Project Authority
<input type="checkbox"/>	Spranza, John	HDR
<input type="checkbox"/>	Teurn, Tammy	HDR
<input checked="" type="checkbox"/>	Tirado, Yolanda	Sites Project Authority
<input checked="" type="checkbox"/>	Thomson, Rob	Sites Project Authority
<input checked="" type="checkbox"/>	Trapasso, Joe	Sites Project Authority
<input checked="" type="checkbox"/>	Tull, Rob	Ch2m
<input type="checkbox"/>	Van Camp, Marc	MBK
<input checked="" type="checkbox"/>	Watson, Jim	Sites Project Authority
<input type="checkbox"/>	Warner Herson, Laurie	Phenix
<input type="checkbox"/>		

Other Attendees: *(Check box to have email address added to the distribution list)*

<i>Name</i>	<i>Representing</i>	<i>Contact (Phone & E-mail)</i>
Brian Person	AECOM	<input type="checkbox"/>
Dave Zuber	Brown & Caldwell	<input type="checkbox"/>
Oscar Serrano	CICC	<input type="checkbox"/>
Jeff Kivett	Brown & Caldwell	<input type="checkbox"/>
Alex Vdovichenko	DWR	<input type="checkbox"/>
Arnie Nervik	Black & Veatch	<input type="checkbox"/>
		<input type="checkbox"/>