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Board of Directors

FRITZ DURST, RECLAMATION DISTRICT 108, CHAIR
JEFF SUTTON, TEHAMA-COLUSA CANAL AUTHORITY, VICE-CHAIR
GARY EVANS, COLUSA COUNTY SUPERVISOR
LEIGH MCDANIEL, GLENN COUNTY SUPERVISOR
LOGAN DENNIS, GLENN-COLUSA IRRIGATION DISTRICT
BRUCE HOUDESHEDT, PLACER COUNTY WATER AGENCY/CITY OF ROSEVILLE
DOUG PARKER, WESTSIDE WATER DISTRICT
JOE MARSH, COLUSA COUNTY WATER DISTRICT
JEFF HARRIS, CITY OF SACRAMENTO/SACRAMENTO COUNTY WATER AGENCY
DON BADER, U.S BUREAU OF RECLAMATION (COST-SHARE PARTNER, NON-VOTING)
ROB COOKE, CA DEPARTMENT OF WATER RESOURCES (EX-OFFICIO, NON-VOTING)

Associate Members (NON-VOTING)

GREG JOHNSON, WESTERN CANAL WATER DISTRICT
JAMIE TRAYNHAM, TC 4 DISTRICTS

March 25, 2020 1:30 p.m. Sites Project Authority Minutes

The Sites Project Authority Board of Directors met in Regular Session on March 25, 2020 at the hour of 1:30 p.m. **Directors Present:** Fritz Durst, Chair, Jeff Sutton, Vice-Chair, Gary Evans, Logan Dennis, Doug Parker, Bruce Houdesheldt, Jeff Harris, Don Baber and Rob Cooke. **Alternate Directors Present:** Michael Azevedo, Ted Trimble, Natalie Wolder. (Other Alternate Directors that may be listed as present below, did not participate in the decision-making process). **Associate Members Present:** Jamie Traynham, Ted Trimble.

Staff present:

Jim Watson, General Manager
Scott Kuney, General Counsel
Jamie Traynham, Treasurer
Joe Trapasso, Ali Forsythe, Sites Project Authority
Yolanda Tirado, Board Clerk

Others present:

JP Robinette, Marcia Kivett, Brown and Caldwell
Ed Horton, PCWA
Robert Boling, Erin Heydinger, Lee Frederiksen, HDR.
Thad Bettner, GCID
Jerry Brown, Waterology Consulting
Laura Warner Herson, Phenix
Gary Darling, Darling H2O
Connor McDonald
Sara Katz, Katz and Associates

Mr. Watson provided a brief update on the process to be used for this meeting (Remotely held).

Pledge of Allegiance.

INTRODUCTION:

Chairman Durst asked those present to introduce themselves.

AGENDA APPROVAL:

Action: It was moved by Director Harris, seconded by Director Sutton to approve the March 25, 2020 Sites Project Authority Agenda, as submitted. Motion carried: All those Directors present voted yes.

MINUTES APPROVAL:

Action: It was moved by Director Dennis, seconded by Director Sutton to approve the Minutes of the February 26, 2020 Sites Project Authority Minutes, as submitted. Motion carried: All those Directors present voted yes, with the exception of Director Houdesheldt who abstained.

ANNOUNCEMENT OF CLOSED SESSION:

Mr. Kuney announced the Authority Board would be considering Closed Session as follows:

Public Employee Appointment (Gov. Code, § 54957)
Title: Executive Director

PERIOD OF PUBLIC COMMENT:

Chairman Durst called for a period of public comment. Hearing none, he closed the period of public comment.

Chairman Durst stated he was having issues with his connection and asked Vice-chair Sutton to continue with the meeting until he could resolve those issues.

Vice-chair Sutton continues Agenda Item numbers 1 through 1.1 for the presence of Chair Durst as follows:

1. CHAIRPERSONS' REPORT:

This time is set aside to allow the Chair &/or Vice Chair an opportunity to disclose/discuss items related to the Sites Project; including any meetings with external stakeholders to advance the Sites Project.

1.1 Conduct Authority Board Election for the position of Secretary for calendar year 2020.

2. BOARD MEMBER REPORTS: (No action will be taken)

This time is set aside to give the Directors an opportunity to disclose/ discuss items related to the Sites Project; including any meetings with external stakeholders to advance the Sites Project.

None.

3. CONSENT AGENDA:

None.

4. MANAGER'S REPORT:

4.1 Discussion and possible direction to staff regarding the Sites Project's monthly status report. **(Attachment 4-1A)**

Mr. Watson provided a brief overview of project activities performed in the months of March and April 2020 as follows:

- Continue to advance Value Planning and Affordability Analyses.
- Continue to support Reclamation on completion of their Feasibility Report, including the coordination of biological and cultural monitoring along with land access for the NODOS Feasibility Geotechnical Investigations.
- Continue to conduct landowner coordination activities.
- Continue efforts to develop the Work Plan through December 2021.
- Delaying approval of engineering task order materials including scope, budget and schedule for service areas HC (Conveyance) and HR (Reservoir).

4.2 Discussion and possible direction to staff regarding Proposition 1, WSIP activities and WIIN Act Funding.

Mr. Watson provided a review of Proposition 1, WSIP activities and WIIN Act Funding as follows:

Proposition 1:

- Submitting next Invoice to CWC by end of week in the amount of \$1.9m.
- Submitting next Quarterly Report in April.
- California Water Commission did not hold their meeting March 18, 2020 and will not reconvene again until May 20, 2020.

USDA: Nothing to report.

Federal Appropriations:

Responded to questions from Senator Feinstein in advance of the Appropriations Hearing with the questions focused on the schedule and cost to complete Feasibility Study and EIS.

Ms. Kennedy provided a brief update on the progress/schedule of their Feasibility Report. Brief discussion followed with no action taken.

Chairman Durst is now present.

1. **CHAIRPERSONS' REPORT:**

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This time is set aside to allow the Chair &/or Vice Chair an opportunity to disclose/discuss items related to the Sites Project; including any meetings with external stakeholders to advance the Sites Project.

Chairman Durst and Mr. Darling provided an update regarding the following:

- Facilitator for the strategic planning.
- Executive Director selection.

Brief discussion followed with no action taken.

- 1.1 Conduct Authority Board Election for the position of Secretary for calendar year 2020.

Chairman Durst stated Ms. Tirado was appointed to the position of Secretary at the previous Authority Board meeting in error and a Secretary position for calendar year 2020 still needs to be appointed. He further stated the matter before the Board is the election of the Secretary position for calendar year 2020. Director Harris nominated Director Dennis as the Secretary of The Sites Project Authority for calendar year 2020.

Chairman Durst called for further nominations. Hearing none, he closed the nominations for the Secretary position.

Action: It was moved by Director Houdesheldt, seconded by Director Sutton to appoint Director Dennis as the Secretary of the Sites Project Authority for calendar year 2020. Motion carried: All those Directors present voted yes.

5. 2019 FINANCE & BUDGET AD HOC COMMITTEE:

- 5.1 Accept the Treasurer’s Report. **(Attachment 5-1A)**

Action: It was moved by Director Evans, seconded by Director Dennis to accept the Treasurer’s Report, as submitted. Motion carried: All those Directors present voted yes.

- 5.2 Consider approval of the monthly Payment of Claims. **(Attachment 5-2A & B)**

Action: It was moved by Director Harris, seconded by Director Houdesheldt to approve the monthly Payment of Claims, as submitted. Motion carried: All those Directors present voted yes.

6. Phase 2 (2019) RESERVOIR COMMITTEE:

- 6.1 Report on the March 19, 2020 Phase 2 (2019) Reservoir Committee meeting. **(Attachment 6-1A & B)**

Mr. Bettner and Mr. Watson provided a review of actions approved and matters discussed at the March 19, 2020 Phase 2 (2019) Reservoir Committee meeting.

Chairman Durst stated the Joint Reservoir Committee and Authority Board Workshop to be held on March 30, 2020 is very important and encouraged

all participants and their alternates and their Home Board members to attend.

- 6.2 Discussion and possible direction to staff regarding value planning efforts and the next steps to develop an updated project description.

Mr. Watson provided an update on the value planning efforts stating it is near completion. He also spoke to the updated project description, EIR recirculation and the EIS. Brief discussion followed with no action taken.

- 6.3 Discussion and possible direction to staff regarding the development of the updated work plan for the period of performance starting September 1, 2020 and ending December 31, 2021 in accordance with a proposed Amendment 2 to the current Participation Agreement.

Mr. Watson provided a brief update on the value planning process and an updated work plan through December 31, 2021, He stated the work plan would need to be approved in April, with a summary of the work plan to be included in the Home Board packet. He stated after April the work plan would continue to be advanced.

Mr. Robinette provided an overview of the proposed process for developing a Work Plan and an overall schedule of work to be completed for September 2020 through December 2021 and spoke to the following:

- Process and schedule to execute Amendment 2 Agreement.
- Goals and objectives through end of 2021.
- Status of Work Plan schedule.
- Status of Work Plan budget.
- Preliminary scope by subject and deferred work.
- Revenue and Assumptions.
- Preliminary Cash Call invoice schedule.
- Preliminary Cash Flow for Reservoir Committee and Authority Board.
- Preliminary Key Consultant Cost Allocation by Subject (Reservoir Committee Funded).
- Environmental Planning Lead and Support (Draft and Final EIR/EIS, Prop 1 Feasibility Report and Public benefit agreements-Prop 1).
- Permitting Lead and Support.
- GO/No-Go decision points.
- Contributed credit (not included in budget/work plan).

Ms. Traynham stated at the Reservoir Committee meeting held on March 19, 2020 a roll call was taken of all the participants regarding deferring the contributed credit and reimbursement of same. She stated following the roll call it was unanimously decided not to provide any reimbursement at this time.

Brief discussion followed with no action taken.

- 6.4 Discussion and possible direction to staff regarding the proposed amendment to the current participation agreement and supporting documents.

Mr. Watson and staff/consultants provided an update of supporting documents to be included in the home board package in April as follows:

- Amended Phase 2 Participation Agreement with updated work plan.
- Value Planning Report.
- Draft Storage Policy.
- 2019 Annual Report.
- A four-page prospectus and a template PowerPoint for presentation to respective home boards.

Brief discussion followed with no action taken.

7. **2019 POLICY & GOVERNANCE AD HOC COMMITTEE:**

None.

8. **2019 LEGISLATIVE & OUTREACH AD HOC COMMITTEE:**

Discussion and possible direction to staff regarding federal and state governmental affairs/legislative, stakeholder engagement and communications activity.

Director Sutton provided a brief update regarding federal and state governmental affairs/legislative, stakeholder engagement and communications activities as follows:

Legislative Day scheduled for late March has been cancelled/postponed indefinitely.

- DC trip has been rescheduled.
- Support of Senator Feinstein Bill re: WIIN Act.
- Exploring multiple opportunities for project dollars.
- Stimulus funding.
- Value planning efforts and recirculation of the EIR.

9. **2019 LAND MANAGEMENT AD HOC COMMITTEE:**

Discussion and possible direction to staff regarding real estate, land management, site facility activities and early geotechnical explorations.

None.

RECESS:

Chairman Durst declared a recess at 3:07 p.m. and convened into Closed Session at 3:12 p.m. to consider the following matter:

10. Closed Session:

10.1 Public Employee Appointment (Gov. Code, § 54957)
Title: Executive Director

Chairman Durst adjourned Closed Session at 3:47 p.m. and reconvened into Regular Session.

11. Report from Closed Session:

Mr. Kuney stated as to Closed Session regarding the Public Employee Appointment (Gov. Code Section 54957) Title: Executive Director, he announced at the conclusion of the Authority Closed Session, the Authority Board voted unanimously to approve the selection of an Executive Director for the Sites Project Authority; Mr. Jerry Brown, Principal and CEO of Waterology Consulting. Further, the Authority Board approved the form and execution of an agreement between the Sites Project Authority and Mr. Brown (Waterology consulting) to serve as the Executive Director of the Sites Project.

Chairman Durst adjourned the meeting at 3:54 p.m. to reconvene on April 22, 2020 at the hour of 1:30 p.m.

Fritz Durst, Chairman

Yolanda Tirado, Board Clerk