



Topic: **Authority Board Agenda Item 3.4**

**2020 October 21**

Subject: **Status Update on Organizational Assessment Progress**

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**Requested Action:**

Receive a final status update on Organizational Assessment Progress and comment on the proposed consolidation of future reporting with strategic planning monitoring and reporting.

**Detailed Description/Background:**

The approved OA Report includes findings and recommendations aimed at improving the overall effectiveness of the organization. The Authority Board directed Staff to provide a plan and schedule for addressing the report findings. Staff recommended a plan and schedule, including quarterly progress updates to the Reservoir Committee (RC) and Authority Board (AB). The RC and AB accepted the recommendation at their respective April 2020 meetings. This provides the second quarterly update to the plan and schedule.

Staff reviewed all items in the plan and schedule and generally made the following adjustments to reflect current circumstances:

1. Status column has been updated to reflect the current status for each action.
2. "Target Board Item Date" has been reviewed and updated for some action based on the detailed Project schedule and status of project activities.
3. Items reported as completed in the July 2020 Quarterly Update and items where no action is needed have been omitted in this update.

Staff continues to work diligently to address the Organizational Assessment findings and recommendations. Of the 43 total actions, 14 remain outstanding as of this October update. Of those 14 outstanding items, 7 were completed between July and October and the remaining 7 are in progress.

The next Quarterly Update is scheduled for January 2021. For the January update, staff will begin tracking implementation of the Strategic Plan action plans. Tracking of the 7 remaining Organizational Assessment findings and recommendations will be incorporated into the Strategic Plan tracking.

**Prior Action:**

July 16, 2020: Reviewed and commented on the July 2020 Quarterly Update of the plan and schedule for addressing the Organizational Assessment (OA) findings and recommendations.

April 17, 2020: Accepted plan and schedule for addressing the Organizational Assessment findings and recommendations.

November 21, 2019: Darling H2O Consulting, Inc. presented the draft Organizational Assessment.

August 26, 2019: Approved a budget reallocation for the organizational assessment and execution of a sole-source professional services agreement with Darling H2O to perform an organizational assessment.

July 22, 2019: Discussed working on an organizational assessment plan to evaluate the structure of the Sites Project's program management team, Reservoir Committee and the Authority.

**Fiscal Impact/Funding Source:**

Efforts to address the findings and recommendations are being made within the Amendment 1B and Amendment 2 work plans. No additional funds are needed to support these efforts at this time.

**Staff Contact:**

Ali Forsythe

**Attachments:**

Organizational Assessment Matrix – October 2020 Quarterly Update

**Action Items and Schedule in Response to Organization Assessment  
Quarterly Update – October 9, 2020\***

<b>Action #</b>	<b>Primary Service Area</b>	<b>Summary of Action</b>	<b>Activities Completed To Date</b>	<b>On-going and Suggested Future Activities and Deliverables</b>	<b>Priority (High, Medium, Low)</b>	<b>Target Board Item Date</b>	<b>Person Responsible</b>	<b>Status</b>
1.1	F	Prepare an analysis of the major regulatory decisions being made regarding flow in the Sacramento River and Delta and determine flow-related permitting strategy with identification of risks.	Permitting strategy memo was prepared by ICF in May 2019 and updated through CDFW meetings in fall/winter 2019. A revised version that will include updates with recent relevant changes is in progress.	Staff will review prior related materials and prepare the analysis identified.	High	October 2020	Ali Forsythe	Completed. Provided at October 2020 Reservoir Committee and Authority Board meetings.
1.2	E	Prepare an analysis of the major comments received on the draft EIR/S. Identify approach to addressing those comments and working with specific commenters.	<ul style="list-style-type: none"> <li>March 29, 2019 – Memo, Draft EIR/EIS Comments Matrix, Master Response Topics, Key Comment Letter Summaries, and draft Initial Responses.</li> <li>April 12, 2019 – Strategy meetings were initiated with ICF, Reclamation and Authority to address overall approach and specific topics. Outline for the Final EIR/EIS was prepared and an approach for responding to comments, including master responses to comments was identified and forwarded to both CEQA (Authority) and NEPA (Reclamation) legal counsel.</li> <li>June 5, 2019 – ICF provided master response annotated outlines and commenced preparing responses. In addition, the Authority EPP began meeting with key commenters, (e.g., CDFW, NRDC, Humboldt County, etc.) to clarify issues of concern.</li> </ul>	<ul style="list-style-type: none"> <li>The work that has been completed to date in responding to comments will be utilized in either the completion of a Final EIR/EIS or in preparing a Recirculated Draft EIR/EIS. Assuming recirculation of the Draft EIR/EIS is the preferred approach for moving forward based on the status of the Value Planning effort, ICF is in the process of preparing a strategy/work plan to be completed in May 2020.</li> <li>The Authority EPP will also continue outreach to Draft EIR/EIS commenters and Agencies as efforts move forward.</li> </ul>	High	<ul style="list-style-type: none"> <li>Analysis completed under original work plan and to be updated April 2020 with preparation of EIR/EIS Work Plan</li> <li>Meetings with specific commenters – ongoing throughout 2020 and 2021</li> </ul>	Ali Forsythe	Completed. Analysis and approach presented at August 2020 Reservoir Committee and Authority Board meetings. Meetings with conservation organizations are planned for October 2020.
1.3	E	Identify legal requirements of the environmental laws that Sites will be required to comply with.	Preliminary list of permit requirements and other approvals were included in the Draft EIR/EIS released in August 2017.	The preliminary list will be updated in the development of the Revised Draft EIR/EIS.	Medium	December 2020	Ali Forsythe	Completed. Provided at October 2020 Reservoir Committee and Authority Board meetings.
1.6	Executive Director	Determine if Water Commission has authority to grant schedule relief. If yes, then formally request schedule relief. If no, then figure out a legislative fix and timing.	The relevant deadlines are specific in the voter approved bond language. The current COVID -19 situation presents an opportunity for possible adjustment.	Work with Legal Counsel, and Gov't Relations Team to review statute in detail and determine options. Action plan being developed.	High	May 2020	Jerry Brown	Completed. A joint letter with other WSIP grant recipients was submitted to the CWC for consideration of releasing additional funding sooner. CWC acted on this letter at their August 17, 2020 meeting. Also working with CWC to on feasibility report requirements and to accept the Authority's definition of the 75% local cost share commitment.

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Quarterly Update – October 9, 2020\***

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2.1	F	Develop an interest, science based permitting strategy.	See Action 1.1.		High	October 2020	Ali Forsythe	Completed. Provided at October 2020 Reservoir Committee and Authority Board meetings.
2.3	F	Determine if overall project provides a "net environmental benefit" beyond cold water pool in Shasta. If yes, then work to get agency and NGO buy in.	Outside of the Refuge water supply and Delta smelt benefits, net environmental benefits were identified in the WSIP application related to cold water pool management in Shasta. CDFW expressed concerns with using these net environmental benefits to offset impacts in their 2081 permit – requesting "assurances" that benefits would occur.	<ul style="list-style-type: none"> <li>Revised net environmental benefits will be determined as part of the development of operational criteria.</li> <li>Agency and NGO discussions are planned to occur throughout 2020.</li> </ul>	High	December 2020	Ali Forsythe	Initiated. Part of the operations and biological modeling efforts for the Revised EIR/EIS.
3.1	D	Quantify and get agreement from the state and feds as to what the benefits are to an integrated operation with the SWP and CVP.	Modeling of Sites Reservoir operations scenarios have assumed an integrated operation of the SWP and CVP. Numerous discussions have occurred with DWR and Reclamation on operations criteria and benefits.	<ul style="list-style-type: none"> <li>Modeling and analysis to quantify benefits of the revised operational scenario is scheduled to be completed in December 2020.</li> <li>Sites staff will be working with Reclamation and DWR throughout the development and analysis of the revised scenarios to both quantify and obtain agreement on criteria and resulting benefits of an integrated operation with the SWP and CVP.</li> <li>Discussions with SWP and CVP should be memorialized in draft agreements and the Operations Plan, Version 1.0 in 2020.</li> </ul>	High	December 2020	Ali Forsythe	Initiated. Part of the operations and biological modeling efforts for the Revised EIR/EIS.
5.6	C	Review the costs and deliverables accrued to date and tie future cash calls to anticipated deliverables.	Staff worked to tie cash calls to deliverables in Amendment 1B efforts. However, some activities are more ongoing business that do not necessarily result in a deliverable. Draft Amendment 2 Workplan includes deliverables by service area and explains areas where there may not be a "deliverable".	<ul style="list-style-type: none"> <li>2019 Annual Report prepared addressing items such as accomplishments and expenditures in 2019.</li> <li>Amendment 2 work plan approved April 2020 and updated to include negotiated task orders in August 2020.</li> </ul>	High	April 2020	Joe Trapasso	Completed. Provided in the Amendment 2 Work Plan at August 2020 Reservoir Committee and Authority Board meetings.

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8.1	A	Prepare a financial plan that lays out the potential sources of funding including California IBank.	<ul style="list-style-type: none"> <li>The scope and budget for the development of a financial plan was deferred by the Reservoir Committee / Board to October.</li> <li>Exploratory conversations with IBank date back to September 28, 2017. Changes to their program would be needed for members to use this source.</li> </ul>	<ul style="list-style-type: none"> <li>Develop finance plan as part of Amendment 2.</li> <li>Continue to identify potential grant and other funding sources - at both the state and federal levels - that could reduce the project's finance costs.</li> <li>Continue to work with CWC on timing of additional Prop 1 funds becoming available.</li> </ul>	Medium	July 2021	Joe Trapasso	In progress. Plan of Finance Work Plan is being presented at the October 2020 Reservoir Committee and Authority Board meetings. Includes a review of financing options.
9.1	F	Prepare a Board briefing on the comparative costs of mitigation from comparable projects to help determine a level of reasonableness.	Mitigation cost technical memorandum was prepared by CH2M Hill in 2016. Additional mitigation cost reviews were prepared in October of 2019 and February 2020 for the Value Planning Process.	Mitigation planning and a class 4 cost estimate are scoped to occur in Amendment 2 (late 2020/early 2021).	High	Late 2020	Ali Forsythe	In Progress. <ul style="list-style-type: none"> <li>The Value Planning report included a review of the mitigation cost estimate and comparison to other projects.</li> <li>Further refinement will occur in Amendment 2.</li> </ul>
10.1	Executive Director	Determine process and schedule to deliver information regarding the cost of storage versus the cost of yield in the context of developing a tiered pricing approach.	--	The approved Storage Policy addresses this issue. Additional work is needed to allocate costs according to storage benefits.	Medium	Nov 2020	Jerry Brown	In Progress. This effort will be part of the revisions to the Storage Policy and development of the Plan of Finance.
13 (13.1 to 13.5)	B	Staff will document and track all governance member questions and provide responses to the governance members.	--	Staff initiated work on a tracking tool to track member questions and information requests and update it on a regular basis.	High	Ongoing	Joe Trapasso	Completed. Format and process for documenting questions and responses provided at the September 2020 Reservoir Committee and Authority Board meetings.
15.2	Board / Res Comm	Create a joint strategic plan for the Reservoir Committee and Board.	--	Issue a Request for Proposal for a Strategic Plan effort and contract with a Strategic Planner.	High	December 2020	Jerry Brown	In-progress. <ul style="list-style-type: none"> <li>A strategic planning session was conducted in August 2020.</li> <li>Updated Vision, Mission, Values and Goals were approved at the September Joint Board meeting.</li> <li>Follow-up work is underway to address remaining items which is expected to be substantially complete by end of 2020.</li> </ul>
22.1	Executive Director	Prepare a legal analysis of what are appropriate materials to be covered in closed session.	--	The analysis will be prepared and presented to the Res Comm and Board.	High	August 2020	Scott Kuney	Completed. Provided at the August 2020 Reservoir Committee and Authority Board meetings.

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