

Location **Change:** **Tsakopoulos Library Galleria
828 I Street, Sacramento, CA 95814**

Board Chair: Fritz Durst (Reclamation District 108)

Board Vice-Chair: Gray Allen (Placer County Water Agency/City of Roseville)

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

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

Treasurer: Jamie Traynham (Davis Water District)

AGENDA

CALL TO ORDER:

- Introductions.
- Announcement of Closed Session.
- Period for Public Comment.

1. Chairpersons' Report: Durst/Headrick

- 1.1 Introductory Remarks.
- 1.2 Organizational Assessment. **(Attachment 1-2A)**

RECESS:

2. Closed Session: Durst/Headrick

- 2.1 Conference with legal counsel and members of the Sites Reservoir Committee and Authority Board of the Sites Project Authority to consider an evaluation of performance of Authority personnel pursuant to (Section 54957(b)(1)).

3. Report from Closed Session: Durst/Headrick

4. Recap & Adjourn: Durst/Headrick

ADJOURN

PERIOD OF PUBLIC COMMENT: Any person may speak about any subject of concern, provided it is within the jurisdiction of the Directors and Reservoir Committee and is not already on today's agenda. The total amount of time

allotted for receiving such public communication shall be limited to a total of 10 minutes per issue and each individual or group will be limited to no more than 5 minutes each within the 15 minutes allocated per issue. **Note:** No action shall be taken on comments made under this comment period.

ADA COMPLIANCE: Upon request, Agendas will be made available in alternative formats to accommodate persons with disabilities. In addition, any person with a disability who requires a modification or accommodation to participate or attend this meeting may request necessary accommodation. Please make your request to the Board Clerk, specifying your disability, the format in which you would like to receive this Agenda and any other accommodation required no later than 24 hours prior to the start of the meeting.



Topic: **Joint Authority/Reservoir Committee Meeting, Agenda Item 1.2** **2019 November 21**

Subject: **Organizational Assessment**

Requested Action:

Consider approval of the draft Organizational Assessment dated November 14, 2019 and instruct staff to generate a plan to address the Findings and Recommendations to implement the recommendations identified in the organizational assessment.

Detailed Description/Background:

As the Sites Reservoir Project advances through Phase 2 of the project development process, an organizational assessment was performed. Members from both the Authority Board and Reservoir Committee were interviewed and a set of Draft Findings and Recommendations generated. A summary of the input received from the interviews, and the draft Findings and Recommendations will be presented. Upon joint Authority/Reservoir Committee approval of the Organizational Assessment (Attachment 1-2A) staff will follow up at a future meeting with a plan on how to address the Findings and Recommendations.

Prior [Authority/Reservoir Committee] Board Action:

The contract to perform the organizational assessment and budget were approved by the Reservoir Committee at their August 22, 2019 meeting and by the Authority at their August 26, 2019 meeting.

Fiscal Impact/Funding Source:

None.

Staff Contact:

Gary Darling

Attachments:

Attachment 1-2A – draft Organizational Assessment dated November 14, 2019.



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Fritz Durst
Chair, Sites Reservoir Joint Powers Authority
Doug Headrick
Chair, Sites Reservoir Committee

November 14, 2019

Subject: Draft Sites Reservoir Project Organizational Assessment

Dear Mr. Durst and Mr. Headrick,

In August 2019, Darling H₂O Consulting was retained by the Sites Reservoir Joint Powers Authority (JPA) and Sites Reservoir Committee (RC) to perform an organizational assessment. A list of 18 members of the two governance bodies were given to Darling H₂O Consulting by General Manager Jim Watson to be interviewed to help assess the organization. The 18 members were selected because they have leadership roles on the various subcommittees. A set of interview questions were generated and then shared with each of the individuals to be interviewed. The interviews took place in September and October. Most were done face to face, and a couple by telephone. A summary of input received, and a draft set of findings and recommendations were presented to yourselves on October 18th, and then to Jim Watson on October 21st. No changes to the findings or recommendations occurred as a result of those meetings. The next step is to present that information in draft form to the JPA and RC at a special joint meeting on November 21, 2019. If the report is found to be acceptable, then the governance bodies can direct staff to generate a plan to address the findings and recommendations.

I have enjoyed my interactions with each of the 18 members of the governance structure of the Sites Reservoir Project as well as individual staff members. Everyone offered well thought out input. The Sites Reservoir Project is the largest locally driven storage project in the state of California. The progress made to date is commendable. Hopefully, the input provided and set of findings and recommendations will assist the Sites JPA and RC to map out successful pathways for the future phases of activity.

Gary W. Darling

Attachment



Darling H₂O
Consulting Inc.

SITES RESERVOIR PROJECT

DRAFT ORGANIZATIONAL ASSESSMENT

November 14, 2019

- I. Interviewees
- II. Topic Areas
- III. Summary of Input
- IV. Findings and Recommendations

I. Interviewees

FIVE DIRECTORS FROM AUTHORITY

1. RD-108 (Durst),
2. TCCA (Sutton),
3. Colusa County (Evans),
4. Placer County (Allen),
5. Colusa County WD (Marsh)

TWO ASSOCIATE DIRECTORS

1. Maxwell ID (Wells)
2. Western Canal (Trimble)

ELEVEN REPRESENTATIVES FROM RESERVOIR COMMITTEE

1. SBVMWD (Headrick),
2. Davis WD & TC-4 (Traynham),
3. Wheeler Ridge-Maricopa WSD (Kunde),
4. Westside WD (Ruiz),
5. RD-108 (Vanderwaal),
6. GCID (Bettner),
7. American Canyon (Hartwig), NOT INTERVIEWED
8. Colusa County (Azevedo),
9. MWD (Neudeck),
10. Coachella Valley WD (Cheng),
11. SCVWD (Kao)

II. Topic Areas

1. Describe you and your agency's interests in the Sites project.
2. Describe your vision of a successfully completed project and the multiple benefits it will create.
3. What is your agency's role and representation on either the Authority Board and/or Reservoir Committee?
4. Is the staff currently providing you with the information, data and recommendations that you need to accomplish your role?
5. What do you see are the most difficult decisions that are coming your way?
6. Please share your thoughts on the strengths and weaknesses of the current decision-making process with both the RC and the Authority making decisions.
7. Are your constituents getting the information they need to continue their support of you and the Sites project?
8. What questions/issues have we not discussed that concern you?

III. Summary of Input

I. PARTNERSHIPS

- a. Goal: define project and keep “family” together
- b. Fairly close to losing critical mass now
- c. Go out and find more partners to help defray the costs
- d. Will ag stay in? Cost is the driver. If the project is integrated into the SWP and CVP then can the ag benefit?
- e. Keeping NoD ag in as very important. They have a different cost threshold but need them in with some financial commitment and benefits...otherwise their support seems bound to disappear
- f. If the locals go away there is no project; like when DWR was planning and all the water went south, they lost local support
- g. Keep local ag in
- h. Perception if project goes to only M&I is water grab so need to keep in north of Delta
- i. South of Delta seems to be indicating they would subsidize the project costs higher to give relief to north of Delta
- j. There can be a scenario where only urbans secure storage, but the integrated operations need to show local water supply benefits
- k. Have to have Reclamation at the table and describing what the local investment will do to their contracts
- l. If arrangement can be made with USBR to coordinate ops, then can add value to cold water storage and then Sac Valley water takers see benefit
- m. Project must be integrated with the CVP/SWP and show local benefits
- n. Vision is that water supply is important but storage also very important as it would allow for carryover storage to be used or potentially marketed
- o. The concept of leveraging is not working (i.e. tell the feds that the state is in and they must get in, then tell the state the feds are in so must move fast)
- p. Smaller is not better! Need to build as big as possible
 - i. Example TC authorized to be built south to Vacaville but stops at Dunnigan
 - ii. Affordability driven by ag
 - iii. The price to build is not going to go down

II. PROJECT DESCRIPTION

- a. Need to have a benefit to the environment in order to have a viable project

- b. Need to get a handle on size, “permitability” and affordability, then secure partnerships to move on
- c. Board needs a better appreciation for the number of permits the project will need, the time it will take to secure them and a strategy on approach with regulatory agencies
- d. Not enough progress
- e. Way too many meetings and no progress...only frustration (“let’s quit banging our heads on the same brick walls”)
- f. Workshop also directed staff to find the bare bones project but there are at least 5 different definitions on what that means
- g. Some basic planning level engineering is missing related to the placement and need for the Delavan Pipeline. It begs the question what other basic planning is missing since there is this heavy reliance on DWR engineering?
- h. There is some basic engineering related to the road, Delavan Pipeline (and other?) that needs to get addressed before investing in geotechnical, and environmental review and permitting.
- i. How does the project fit with Water Fix?
- j. Can you get a reliable project definition without going thru the environmental review process and permitting? Need a real schedule.
- k. Define what the environmental benefits are of the project to identify a Net Environmental Benefit
- l. Verify if the modelling is being done correctly for the needs of the regulatory agencies who have to issue any kind of permit for the project
- m. Model assumes water can all be moved as SWP (when there is capacity at Banks)
- n. Not sure of yield when coordinated with the SWP and CVP
- o. Draft EIR/S 2010, old fisheries data so has to be redone
- p. Very frustrated that a key road needed in the project is not being worked on and it will unnecessarily get on the critical path

III. PACE

- a. Update the risk report quarterly and better reflect regulatory/political uncertainties
- b. The project is at a pivotal moment. The schedule is driving the big dollar decisions before the participants are ready. Need to approach the state to get a fix on schedule.
- c. Frustrated because it feels like we are at the same place as a year ago and just spent another \$16M; still no project description, no operations, no costs (not just \$/af but long term indebtedness)
- d. Very frustrated that a year ago the project was wanting to secure financing for the next phase. They got to the point of approaching a cash call and people then said they were not ready despite staff asking over and over if the partners needed more information or

presentations to their Boards. Now a year later, same thing. It feels like people are not doing their homework

- e. Pace is too fast with no project description
 - i. Feels like we are walking in a circle
- f. Staff is letting WSIP and WIIN Act drive the schedule. This means that the process is controlling rather than us directing the process.
- g. Pace is being set by others (WSIP and WIIN) and not realistic
- h. Can't submit a water rights application without a new draft EIR/S
- i. Is WSIP and WIIN pursuit the highest priority for this project; or do the schedules they call for create the keystone cop syndrome?
 - i. Are their pursuits too distracting?
- j. Governance bodies have sat back for too long and now are realizing that we are working on the wrong project concept
- k. Do we really need to spend \$440M in 2 years? Seems like too many consultants.
 - i. Can't fund the grand vision in the beginning; need baby steps.
- l. Does not think the schedule by the state is doable and need to get going on a legislative fix
- m. Pace of project not too good..."a lot of wheel spinning"; is USBR in or not?
- n. Is there federal participation? How important is that? The project definition impacts of federal involvement (or not) should have already been scoped out.
- o. Sites has gone sideways on the Water Storage Investment Program (WISP)...may need to start over
- p. "This assignment is one of many that I have. I am concerned that I will not able to keep up"
- q. Questions the ability to get permits in a year or 2 years. Need a reality check
- r. Board has heard that to meet Prop 1 deadlines all permits need to be secured by Jan 1 2022. Since that is only about 25 months away it is hard to believe that is possible.
- s. He is open to education on the decision-making process, as he again feels uncertain since he has never done a project like this before.
- t. Tie cash calls into deliverables and educate everyone on what the investments have resulted in to date. Build trust.

IV. PROJECT COST

- a. Need to hear the lowest \$/af. Want to know each agency's share of the capital cost so they can appropriately bond
- b. He has asked for a financial analysis that not just shows a cost now but into the future and how will that cost compare to other water supply costs?
 - i. I.e. what is the value of this project in 2032 and beyond?
 - ii. Present cost in terms of long-term debt.

- c. 90 day workplan was confusing and he has no idea of the cost.
 - i. Can really only focus on one thing at a time.
 - ii. Will the \$7M in place cover the 90 work plan?
 - iii. Need to really only focus on cash needed for 2020
- d. What is the cost of the 90 day plan going forward?
- e. The RC has an 78M budget. Let them have complete control over how to best spend that.
- f. Mitigation seems to be accumulating in the hundreds of millions
- g. Consider how beneficiary pays might create different pricing tiers
- h. Been asking for cost for yield water versus cost for storage

V. COMMUNICATIONS/TRUST

- a. Need a strategic plan that includes a political strategy
- b. Going forward, need a plan on how to move forward and agreed upon staffing,
 - i. People are getting burnt out
 - ii. Positivity turning to negativity
- c. Strategic planning could be a game changer to get more ownership
- d. What are the lessons learned from other projects?
- e. We have failed at the political level. What is our strategy?
- f. Communications need to improve to maintain trust
- g. Can't have a Sites reputation of not being easy to deal with outside agencies
 - i. Need a strategy to change the perception of being hard to deal with
 - ii. Meet with all the key decision makers to figure out strategy going forward like: Water Commission, CDWF, SWRCB, NMFS, FWS, USBR, EPA(?)
- h. There is a lot of trust between members
 - i. Staff need to build more trust with each Board members. One on one meetings are important and information requests need to be documented, actions generated and tracked and regular reporting back to the Board member.
 - j. Is the CDFW exec team, Mgt team and technical team working for the partners? Some members have concern that a lot of things are happening behind the scenes and they are in the dark
 - k. Executive Team meetings should be understood by all parties. Otherwise, it may feel like secret meetings where only some of the paying members are in attendance and making project decisions
 - l. Concerned that the Bonham mtgs are attended by only settlement contractors and MET
 - m. Get a better understanding of settlement contractors' interests and thoughts if the project fails

- n. You cannot rely on getting the information requirements from investors in meetings (too quiet). Need to meet individually, and with their superiors and figure out needed information. Document that, create actions and track along with the agency so that they know their concerns are being heard, and there should be more accountability when it is time to ask for funding.
- o. Consultant teams are siloed; they get a base of information and marching orders so the billing accumulates
 - i. Bring together the senior consultants and have them help out in getting the bare bones project laid out
 - ii. Need a list of go/no-go questions
- p. Get in writing what each TC partner needs to go to their Boards and track that it gets done
- q. Big staff message: when Board members asks for something then need to track and follow thru
 - i. Worthwhile to spend time better defining staff roles and responsibilities
- r. Doubled budget to pursue WSIP to \$15M. South of Delta agreed to the \$15M, north of Delta never agreed
- s. Do not leave anyone behind. Heavy lift, but necessary: Improve communications with the 2 decision making bodies by expanding the team so that not only Jim responds to inquiries. As tedious as it may sound, track all Board inquiries and respond to all until a Board member says the concern has been dealt with so it can come off of the list. This requires more resources, but it should eliminate the perception that a Board member is not being listened to. It also instills trust which is critical.
- t. If it is not already happening, a road show needs to happen with each of the RC member Boards of Directors. Need to figure out their levels of interest and help with messaging (maybe a quarterly progress report directed at electeds).

VI. GOVERNANCE

- a. Positives: NoD and SoD playing together well, staff are trying to be diligent and there is a lot of work going on. Positive political support continues.
- b. Good value in south of Delta and north of Delta working together
- c. Governance is working fine. The RC has lots of great expertise.
- d. There is no instance where the Auth Board has disagreed with RC
- e. Having 2 Boards provides a nice check and balance
- f. Why cover the same materials at both Board meetings?
- g. Having 2 Boards awkward as the real investors are on the RC. It is not right to ask the authority to simply rubber stamp what they do not understand
- h. Question the need to closed sessions as it relates to project definition
- i. Get a better understanding between the 2 governance bodies

- j. Examine governance to better define roles and figure out legally how to get broader participation (even if it has to be at a later date)
- k. Review governance for appropriateness of participation and agree upon roles and responsibilities
- l. Consider revisiting the requirements to be on the Authority and only allow members who have an investment in the project
- m. Clarify governance roles and consciously decide what decisions need to go to both
- n. Need to have a better understanding on the roles of the 2 governance bodies. If the RC feels subservient to the Authority when asking the RC for major funding will not work.
- o. May need to have chair of RC attend Auth mtgs
- p. Maybe more combined workshops
- q. Need clear roles and responsibilities between the governing bodies
- r. Get to the bottom of SCVWD concerns related to governance asap
- s. Ask JPA members who have decided not to participate to leave the Board
- t. While there is an appreciation for the need for transparency, governance members are concerned that information only comes to them from a public meeting...so they feel that the questions they are asking are answered too vaguely for fear that the public gets bad news
- u. The RC is subservient to the Authority Board
- v. Maybe change Auth Board and allow a south of Delta person somewhere down the line

IV. Findings and Recommendations

THERE ARE SEVERAL CHALLENGES CURRENTLY IMPACTING THE ABILITY OF THE PROJECT PARTNERS TO PROCEED WITH THE NEXT PHASE OF THE DEVELOPMENT OF THE SITES RESERVOIR PROJECT. THE PROJECT IS AT A PIVOTAL MOMENT. THIS REPORT CONTAINS 22 DRAFT FINDINGS AS WELL AS ASSOCIATED RECOMMENDED ACTIONS THAT THE PROJECT PARTNERS CAN CONSIDER.

PROJECT SCHEDULE, DEFINITION, AND PACE

FINDING 1 *SCHEDULE*

Most Sites governance members interviewed are having difficulty making financial commitments at the current pace and given the uncertainty of a project definition. They believe that the schedule which is being dictated by WSIP (and potentially WIIN) milestones is driving project definition formulation and the big dollar decisions before they are ready. They perceive that the schedule is unduly controlling the Project development but are uncertain what ability they have to adjust the schedule.

ACTION 1.1

Prepare an analysis of the major regulatory decisions being made regarding flow setting in the Sacramento River and the Sacramento/San Joaquin Delta and show how the Sites Reservoirs inflows and outflows fit into that decision-making process. Include in the analysis how Sites and Water Fix are connected (or not) as well as how the SWRCB flow setting for the Sacramento and San Joaquin Rivers fits (or not) with Sites. It is critical to understand when it makes the most sense to seek Sites permits that relate to flow setting. If there is a desire to proceed when major uncertainties exist, then provide the risk assessment that addresses that.

ACTION 1.2

Prepare an analysis of the major comments received on the draft EIR/S and lay out how the project team intends to address those comments. Also, lay out a strategy on how the Sites team

will approach the commenters who have made major comments that have the potential to stop or delay the project (both governmental and non-governmental entities).

ACTION 1.3

Lay out the legal requirements of the environmental laws that this project is required to meet (i.e. the requirements of the state and federal Endangered Species Acts to meet the hierarchical test of: 1) avoid impacts, 2) then minimize, 3) then mitigate; the federal Clean Water Act to identify the least environmentally damaging alternative; the state and federal Historic Preservation Acts, etc.)

ACTION 1.4

Establish a flow chart that shows how this project will be permitted and realistic timelines to secure permits based on real world experiences

ACTION 1.5

Prepare and analysis of the existing draft EIR/S and confirm that the document can be used by all of the permitting agencies to issue permits upon the finalizing of the EIR/S. Lay out the schedule to complete a revised draft EIR/S.

ACTION 1.6

Seek a legal opinion (if necessary) to see if the Water Commission has the authority to grant schedule relief. If yes, then formally approach the Water Commission for schedule relief based on a more realistic schedule. If the Water Commission does not have the authority to accept a changed schedule, then figure out a legislative fix and timing. As a part of this focus, also network with the other storage projects who have WSIP funding to see if they are facing similar schedule challenges.

ACTION 1.7

Prepare an analysis with the pros and cons along with a staff recommendation to present to the governance bodies on whether or not to spend additional time and resources pursuing WINN.

ACTION 1.8

Determine if there is a viable strategy to phasing which could allow for addition of project partners either during project development or after construction.

FINDING 2 *PERMITTING PHASE STRATEGIC PLAN*

There is a lack of a Strategic Plan for the permitting phase.

ACTION 2.1

Develop a permitting strategy as a part of a Strategic Plan that instructs staff and the governance members on the philosophy behind permitting with the goal of moving permitting agencies and non-governmental groups (NGOs) from an attitude of “No!” to “How can we make the Sites Reservoir Project work?” Need a strategy based in interest-based discussions as opposed to positional based or simple consensus philosophy. Need to approach permitting agencies and NGOs with well thought out proposals that are backed by science that can withstand anticipated challenges.

ACTION 2.2

Provide a risk analysis that discusses when it is appropriate for the project staff and governance members to be involved in the permitting process and at what level. For example, when would it be appropriate for governance members to seek permitting decisions through what could be perceived as a political level rather than through the normal technical staff.

ACTION 2.3

Decide if there is enough information from draft environmental documents to define project scenarios that could be used to make the case that the overall project provides a “net environmental benefit” (i.e. focus beyond cold water pool in Shasta to how the storage could allow the 21 project investors to provide a net environmental benefit compared to their current operations). If yes, then do so and get permitting agency and environmental NGO buy in.

ACTION 2.4

Establish a regulatory agency technical advisory committee at the staff level (i.e. with the regulatory staff who will review the next Draft EIR/S and ultimately issue permits) who will meet regularly (suggest monthly) with project staff to identify a project that is going to be permittable and to guide the project’s environmental review documents and findings.

FINDING 3 *SWP/CVP COORDINATION*

There is a critical need to define what the SWP/CVP coordinated operations environmental benefits are for the projects defined in Finding 2.

ACTION 3.1

Quantify and get agreement from the state and feds as to what the benefits are to an integrated operation with the SWP and CVP

ACTION 3.2

Establish a strategy to get state and federal agencies to be storage investors.

FINDING 4 ADEQUACY OF PREVIOUS ANALYSIS

There is a question of whether there is a need to do additional up-front planning on project facilities that are currently depending on engineering studies and conclusions drawn from previously completed studies done by DWR

ACTION 4.1

Review all facility planning previously completed by DWR to make certain there are not missed opportunities to integrate new facilities with existing facilities; particularly the Delevan pipeline, existing pipelines, canals, balancing reservoirs, reservoir road relocation, etc.

FINDING 5 TOOLS TO MAINTAIN PROJECT SCHEDULE

Governance members are concerned that the current pace may not allow for development of an adequate project description that they feel is necessary for them to understand how their interests are met by the project.

ACTION 5.1

Once a new schedule is developed, then make certain to include all anticipated Board decisions that are critical path to project development. This is important for governance members to know how much time they will need to dedicate to be effective decision makers.

ACTION 5.2

Once a new schedule is agreed to, governance members need to dedicate enough time to keep up with the agreed upon pace of this project.

ACTION 5.3

Get materials to governance members at least a week in advance that clearly identify decisions to be made, any analysis being made in support of the authority staff recommended decisions, and other options that were considered.

ACTION 5.4

As part of the new schedule, each governance member should identify which decisions will be so complex for their individual agency that it warrants staff making a presentation to their individual agency to make certain they are in concurrence with the direction the project is moving.

ACTION 5.5

Use joint Board workshops and individual agency meetings to walk thru assumptions and anticipated outcomes so that when a decision comes to governance members for approval, the information will not be new (i.e. no surprises).

ACTION 5.6

Review the costs and deliverables accrued to date and tie future cash calls to anticipated deliverables.

AFFORDABILITY

FINDING 6 *ADDITIONAL COST METRICS*

Several project partners need to not only see a cost per acre foot but also the long-term debt in order to anticipate the financing impacts on future rates.

ACTION 6.1

Determine process and schedule to deliver this information and track.

FINDING 7 *COMPARITIVE COST*

Project partners need to see how the long-term projected cost of this project compares to other sources of water.

ACTION 7.1

Determine process and schedule to deliver this information and track.

FINDING 8 *FUNDING OPTIONS*

Several project partners will need to rely on loans to fund their share of the project costs. What sources are available?

ACTION 8.1

Prepare a financial plan that lays out the potential sources of funding. Include in that analysis the potential to secure loans thru the CA IBank.

FINDING 9 *MITIGATION COST*

Some project partners are concerned that the mitigation costs seem too high.

ACTION 9.1

Prepare a Board briefing on the comparative costs of mitigations from comparable projects to help determine a level of reasonableness

FINDING 10 *STORAGE VS YIELD COST*

A question has been raised as to the cost of storage versus cost of yield in the context of developing a tiered pricing approach.

ACTION 10.1

Determine process and schedule to deliver this information and track.

PROJECT CASH CALL

FINDING 11 *PLANNING BUDGET*

For several project partners with the issues surrounding pace, affordability, and project description, the near term \$440M budget and cash call is too expensive. They are not comfortable with going back to their individual agency boards to ask for funding at that level.

ACTION 11.1

Once the governance members agree on project schedule (see Actions under Finding 1 and 3 regarding traditional project scheduling for complex water projects vs the WSIP and WIIN schedule constraints) then have staff only focus on scope thru permitting and come up with a budget. If possible, make the available \$7M cover these costs.

COMMUNICATIONS/TRUST

FINDING 12 *REBUILDING TRUST*

There is a need to increase trust between the governance members and authority staff. The experiences of governance members for the Sites project is becoming less “fun”. People at all levels are getting burnt out.

ACTION 12.1

Hold teambuilding session(s) to better understand how governance members process information and make decisions with the anticipated outcome for the governance members and authority staff to agree upon their respective roles and responsibilities (i.e. define what good staff support is as well as what the governing member expectations are and how to best ask for additional information and not let questions linger)

ACTION 12.2

Authority staff should work to make Board meetings more of a final sign off or endorsement of a policy decision or budget approval (i.e. no surprises) as opposed to having an expectation that a large body of decision makers will come together to deliberate complex decisions and challenge staff and each other to get their voices heard.

FINDING 13 *COMPLETED STAFF WORK*

Big staff message: when governance members ask for something then it needs to be tracked and follow thru in an agreed upon timeframe. Strong desire to leave no one behind.

ACTION 13.1

Governance members will ask questions and engage with staff long enough to make certain that the question is understood.

ACTION 13.2

Staff will document the question

ACTION 13.3

Staff will work with the governance members on how long a governance member inquiry will wait until he/she gets a response.

ACTION 13.4

Staff will track all governance member inquiries and respond until the member says his/her concern has been dealt with so it can come off of the list. Create a governance member only access on the project website to show all questions being tracked so that other governance members can see what the questions and responses are.

ACTION 13.5

Governance members to agree that the General Manager can delegate a question or topic area to another staff to both interact or meet with the governance member and tack until completion.

FINDING 14 *TRANSPARENCY*

There is some anxiety with the discussions and project description changes being agreed in smaller meetings with the CDFW that are not being fully relayed to the rest of the critical decision makers.

ACTION 14.1

Address this issue head on with all of the players involved in the CDFW discussions with the other governance members to understand concerns and provide clarity and acceptance that the process continues with the same players.

FINDING 15 *REGULATORY STRATEGY*

There is a lack of agreed upon strategies as it relates to political and regulatory hurdles.

ACTION 15.1

Prepare a discussion paper on what lessons have been learned by other similar projects that have succeeded and can potentially be adopted for use by the Sites Project.

ACTION 15.2

Hold a combined workshop between the Sites Project Authority Board and the Reservoir Committee to create a strategic plan that will established agreed upon values and strategies as it related to Sites reputation to the outside world and how to approach the political influencers and regulatory agencies necessary to get this project thru the planning phase (future phases can build on this first phase strategic plan).

PARTNERSHIPS

FINDING 16 *MAINTAIN NORTH OF DELTA PARTNERSHIPS*

It is important to keep north of Delta ag partners involved in the project.

ACTION 16.1

Create a strategy to get Reclamation to the table to describe what the local investment will do to their contracts

ACTION 16.2

Explore the concept of beneficiary pays to accurately account for the benefits received by each investor and consider a tiered pricing system

ACTION 16.3

Formally request south of Delta investors to identify ways of keeping north of Delta ag in the project

FINDING 17 *FIND ADDITIONAL PARTNERS*

The project needs more partners in order to improve affordability

ACTION 17.1

Perform analysis to validate if increased partnerships would result in the project becoming more affordable. If yes, then direct staff to look for more partners to help lower cost

GOVERNANCE

FINDING 18 *PARTNERSHIP RECOGNITION*

It is a great achievement that the south of Delta interests and the north of Delta interests are working cooperatively.

ACTION 18.1

Celebrate and memorialize why that is happening at both the strategic plan workshop as well as the team-building workshop.

FINDING 19 *EFFICIENT DECISION MAKING*

There is a lot of duplication of staff work when both governance bodies are making the same decisions.

ACTION 19.1

Formalize the roles and responsibilities between the two governance bodies and look for ways to reduce duplication and ways to make sure that the Authority Board is not just rubber stamping the actions of the Reservoir Committee.

FINDING 20 *BALANCE OF POWER*

Some members of the Reservoir Committee feel subservient to the Sites Project Authority Board because the Authority Board has the final determination.

ACTION 20.1

Get a legal analysis done that specifies the exact language in the law that is used to determine how governance is set up. Consult with other recipients of Prop 1 funding that have multi-regional partners to see how they are set up.

ACTION 20.2

Depending on the results of Action 21.1, have a policy level discussion to decide if the Reservoir Committee make up and the Sites Project Authority Board make up can be (and should be) changed.

FINDING 21 *CLARIFYING ROLES*

The rules for membership on the Authority Board are not understood and several have suggested to make it a requirement that an entity on the Authority Board needs to also be an investor.

ACTION 21.1

Get a legal review then policy review of the composition of the Authority Board in order to have a discussion and decision by the Authority Board on Board composition.

FINDING 22 *TRANSPARENCY PART TWO*

Governance members have questioned why closed session is needed to discuss project formulation activities.

ACTION 22.1

Prepare a legal analysis of what are appropriate materials to be covered in closed session.