Meeting: Phase 2 Reservoir Project Agreement 2020 February 21

Subject: Reservoir Committee Meeting 9:00 AM - 1:00 PM

Location: Maxwell Project Office Call in:1-800-201-7439

122 Old Highway 99W, Maxwell, CA 95955 Code: 644237

Chair: Thad Bettner (Glenn-Colusa Irrigation District)

Vice Chair: Jeff Davis (San Gorgonio Pass Water Agency)

Treasurer: Jamie Traynham (Davis Water District)

MINUTES

CALL TO ORDER:

Chairman Bettner called the meeting to order at 9:00 a.m., followed by the Pledge of Allegiance.

ROLL CALL:

Roll was called (See Attachment A), which resulted in 15 eligible representatives. This equated to 68% of the current participation percentage being in attendance, which is greater than the 50% needed to have a quorum of the Reservoir Committee. By 10:00 a.m., 4 additional members were seated bringing the total participation percentage to 94.8%. At 12:30 p.m., 3 representatives vacated their seats and left the meeting leaving the total participation percentage at 80.4%.

INTRODUCTIONS:

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

ATTENDANCE:

See Attachment B.

AGENDA APPROVAL:

<u>Action</u>: It was moved by Vanderwaal, seconded by Davis to approve the February 21, 2020 Agenda, as presented. The motion carried unanimously.

MINUTES APPROVAL:

Chairman Bettner called for approval of the January 17, 2020 Phase 2 Reservoir Committee Meeting Minutes. He stated on page 3 under Agenda Item 3.2, Reclamation staff requested a language correction regarding "Cooperative Operations".

<u>Action</u>: It was moved by Vanderwaal, seconded by Ruiz to approve the January 17, 2020 Phase 2 Reservoir Committee Meeting Minutes, as corrected. The motion carried unanimously.

Participation by phone is not counted in quorum or voting.

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

Caveat 2

Version: A
Date: 2020 February 21

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Subject to change Ref/File #:
Page:

PERIOD OF PUBLIC COMMENT:

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

SPECIAL PRESENTATION:

Weghorst

• Irvine Ranch Water District's perspective on the integration of groundwater & surface water.

Mr. Weghorst spoke to Irvine Ranch Water District's interest in the Sites Project. He also spoke to services provided by the District and the integration of groundwater and surface water. He further spoke to the benefits of pursuing a partnership between Sites and Irvine Ranch Water District. Brief discussion followed. Following discussion, Mr. Weghorst stated he would like to work with Mr. Watson and the Sites team to explore this concept further.

Chairman Bettner thanked Mr. Weghorst for the presentation.

1. <u>Member's Reports</u>:

1.1 Chairpersons' Report:

Bettner, Davis

This time is set aside to allow the Chair/Co-Chair an opportunity to disclose/discuss items related to the Sites Project.

Chairman Bettner provided an update as follows:

- Voluntary Agreements.
- Executive Director's recruitment.
- Facilitator for Strategic Planning.

Brief discussion followed with no action taken.

1.2 Reservoir Committee Participant Reports:

Representatives

This time is set aside to allow Representatives or their Alternates an opportunity to disclose/discuss items related to the Sites Project.

Chairman Bettner provided an update regarding the restructuring/consolidation of the 2019 Ad Hoc Work Groups into four Work Groups as follows:

- Budget and Finance.
- Reservoir Operations & Engineering.
- Environmental & Permitting.
- Coordination.

Brief discussion followed. Following discussion, a sign-up sheet was circulated for those interested in serving on any of the four Work Groups.

2. Consent Agenda:

Watson

None.

3. <u>Manager's Report</u>:

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 months of January and February 2020 as follows:

- Reminder of need to file Form 700s by April 2, 2020.
- Status of Home Board approval of Amendment #1A through June 30, 2020.
- Governor's Resiliency Portfolio and the various letters submitted in support of Sites.
- Continued support of 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.
- Continued support of Value Planning and Affordability Analyses.
- Received the third CWC early funding payment in the amount of \$2.1 million.
- 3.2 Discussion and possible direction to staff regarding Proposition 1, WSIP activities and WIIN Act Funding.

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

WSIP:

o Ms. Herson-Phenix provided a brief update on the early funding agreement with Reclamation.

• Proposition 1:

- California Water Commission met on February 19, 2020 and discussed/considered the following:
 - New roles of the Water Commission.
 - Water Resilience Portfolio.
 - Delta Conveyance.
 - Tribal Engagement in Delta Conveyance.
 - Tabled the Annual Review of the State Water Project.

• USDA:

- o Submitted end of year 2019 Status Report.
- Federal Appropriations:

- Ms. Kennedy provided an update on their Feasibility Report and proposed schedule for same. Brief discussion followed with no action taken.
- General Manager Watson provided a brief update regarding a meeting with Mr. Conant on the Federal Feasibility and the Value Planning. Brief discussion followed with no action taken.

9:45 a.m. Representative from Carter Mutual Water Company, Cortina Water District and Santa Clara Valley Water District are now present and seated.

4. <u>2019 Ad Hoc Budget & Finance Workgroup</u>:

Traynham

4.1 Consider accepting the Sites Project Authority Treasurer's Report. (Attachment 4-1 A)

<u>Action</u>: It was moved by Vanderwaal, seconded by Tincher to accept the Sites Project Authority Treasurer's Report, as presented. The motion carried unanimously.

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

<u>Action</u>: It was moved by Kunde, seconded by Flores to approve the Reservoir Committee's portion of the month Payment of Claims. The motion carried unanimously.

9:55 a.m. Representative from Metropolitan Water District representative is now present and seated.

4.3 Discussion and possible direction to staff regarding the forward-looking work plan associated with extending the time of the current Participation Agreement from January 1 through August 31, 2020 as Amendment 1B Work Plan).

General Manager Watson provided an overview of a work plan that proposes to allocate unspent funds associated with the current Phase 2 (2019) Participation Agreement for work to be performed starting January 2, 2020 through August 31, 2020. General Manager Watson stated the proposed task order amendments which are Agenda Item numbers 4.3.1 through 4.3.8.

Mr. Tincher inquired as to a critical path schedule.

Ms. Dyer expressed concern in taking funds from the Environmental and Permitting budget and putting it into the Integration Project budget.

General Manager Watson stated the above concerns are addressed in Agenda Item number 8, Work Plan. Discussion followed.

Following discussion, Chairman Bettner stated Agenda Item number 8, Work Plan would be considered at this time to address Mr. Tincher's and Ms. Dyer's concerns.

8. <u>September 1, 2020 through December 2021 Work Plan:</u>

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

General Manager Watson provided an overview of the work plan for September 1, 2020 through the end of December 31, 2021 as follows:

- Process to Execute Amendment 2 Agreement.
- Proposed Goals to be Completed by end of 2021:
 - o Operational plan & certainty.
 - Permit certainty:
 - Admin draft water right application prepared.
 - Biological Assessment submitted.
 - CDFW Incidental Take permit application submitted.
 - Draft Section 106 Programmatic Agreement.
 - Other key permits and/or agreements in progress.
 - o Environmental analysis and documentation (EIR/EIS) largely completed.
 - o Affordability & engineering design (work in progress):
 - Incorporate DSOD requirements.
 - Incorporate CVFPB requirements.
 - Address other construction-related permits and/or agreements.
 - o Stakeholder partnerships (and draft agreements).
 - o Prop 1 <u>eligibility</u> milestone (Commission 01-01-2022):
 - Draft EIR available for public review.
 - Feasibility study completed and
 - Commission determines:
 - Draft EIR complete.
 - Project is feasible (technical, economic, financial and environmental).
 - At least 75% commitment for no-Prop 1 benefits (local agencies plus federal).

- o Manage go/no-go decisions.
- Prepare successor agreements.
- Target-setting Schedule (From January).
- Strawman Schedule (Updated Targets).
- Post-Value Planning and Project Description Development (Post August 2020).
 - o Continue CEQA/NEPA analysis.
 - o Advance key permits.
 - o Complete Prop 1 (WSIP) Feasibility Report.
 - o Coordinate with Reclamation.

Lengthy discussion followed regarding the work plan, budget changes, information to be included in Home Board package, critical path schedule, size of project, costs, risks, cash calls and development of the final Project Description.

<u>Action</u>: It was moved by Davis, seconded by Azevedo to approve Agenda Item Numbers 4.3.1 through 4.3.8 as follows:

- 4.3.1 Approval of a recommendation to the Sites Project Authority to approve an amendment to HDR Engineering, Inc.'s (HDR) (Project Integration) contract and task order scope of work, budget and period of performance. (Attachment 4-3.1 A)
- 4.3.2 Approval of a recommendation to the Sites Project Authority to approve an amendment to Brown and Caldwell's (B&C) (Project Controls) contract and task order scope of work, budget and period of performance. (Attachment 4-3.2 A)
- 4.3.3 Approval of a recommendation to the Sites Project Authority to approve an amendment to Katz and Associates, Inc.'s (Katz) (Communications) contract and task order scope of work, budget and period of performance. (Attachment 4-3.3 A)
- 4.3.4 Approval of a recommendation to the Sites Project Authority to approve an amendment to ICF Jones and Stokes, Inc.'s (ICF) (Environmental Planning and Analysis) contract and task order scope of work, budget and period of performance. (Attachment 4-3.4 A)
- 4.3.5 Approval of a recommendation to the Sites Project Authority to approve an amendment to ICF Jones and Stokes, Inc.'s (ICF) (Permitting and Agreements) contract and task order scope of work, budget and period of performance. (Attachment 4-3.5 A)
- 4.3.6 Approval of a recommendation to the Sites Project Authority to approve an amendment to CH2M Hill Engineers, Inc.'s (CH2M) (Operations Simulation Modeling) contract and task order scope of work, budget and period of performance. (Attachment 4-3.6 A)

- 4.3.7 Approval of a recommendation to the Sites Project Authority to approve an amendment to Fugro USA Land, Inc.'s (Fugro) (Geology and Geotechnical) contract and task order scope of work, budget and period of performance. (Attachment 4-3.7 A)
- 4.3.8 Approval of a recommendation to the Sites Project Authority to approve contract amendment to increase the budget to the AECOM contract. (Attachment 4-3.8 A)

The motion carried unanimously.

4.4 Discussion and possible direction to staff regarding recent changes to the Service Area G – Real Estate project team and future real estate service area work activities.

Mr. Trapasso and Mr. Spesert provided a brief update regarding BRI's company reorganization which resulted in the layoff of the existing Right-of-Way Agent (Mr. Connor). Brief discussion followed.

<u>Action</u>: It was moved by Kunde, seconded by Nuedeck to delegate the matter regarding the recent changes to the Service Area G – Real Estate project team and future real estate service area work activities to the Reservoir Coordination Work Group for resolution of same. The motion carried unanimously.

- 5. <u>2019 Ad Hoc Environmental & Permitting Workgroup</u>: 10 min Bettner
- 5.1 Consider approval of a recommendation to the Sites Project Authority to restart efforts on the Environmental Impact Report (EIR) for the Sites Reservoir Project, consider the most appropriate approach for completing the EIR pursuant to the California Environmental Quality Act (CEQA), and to continue working with Reclamation to finalize their EIS pursuant to the National Environmental Policy Act (NEPA); presumably as a joint document.

Ms. Forsythe stated the Ad Hoc Environmental and Permitting Work Group met on January 29, 2020 to discuss how to approach restarting efforts on the EIR for the Sites Reservoir. The most appropriate approach for completing the EIR pursuant to CEQA and options to finalize the EIR/EIS as a joint document with the Bureau of Reclamation and provided an overview of same.

Mr. Bruner provided an overview of CEQA standards for recirculation of the EIR/EIS. For example, whether to do a partial or full recirculation and spoke to some examples from Case Law. Discussion followed.

<u>Action</u>: It was moved by Davis, seconded by Vanderwaal to approve a recommendation to the Sites Project Authority to re-start efforts on the EIR for the Sites Reservoir Project and consider the most appropriate approach for completing the EIR pursuant to the CEQA. The motion carried unanimously.

5.2 Informational Presentations regarding on-going or future activities and projects in the Sacramento River system and the Sacramento-San Joaquin Delta.

Chairman Bettner provided a brief update on the Biological Opinion and the Voluntary Agreements.

Brief discussion followed regarding the lawsuit filed by the State on the Biological Opinion, with no action taken.

6. 2019 Ad Hoc Reservoir Operations Workgroup:

5 min Ruiz/Kunde

Discussion and possible direction to staff regarding the ongoing activities of the Reservoir Operations Workgroup.

Mr. Kunde provided an update on the following:

- Briefing by CH2M on the Biological Opinion.
- Mr. Tull's report on the Modeling done to support permitting process and review of delivery patterns.
- 7. <u>2019 Ad Hoc Siting & Water Facilities Workgroup</u>: 20 min Vanderwaal/Azevedo
- 7.1 Discussion and possible direction to staff regarding value planning efforts to develop an updated project description.

Mr. Vanderwaal and Mr. Kunde provided an update on value planning efforts to develop an updated project description. Brief discussion followed with no action taken.

Mr. Frederiksen provided a brief overview on the Working Draft of the Sites Project Value Planning Alternatives Appraisal Report as follows:

- Project Objectives and Participants.
- Operational Considerations.
- Overview of Key Project Features Being Considered.
- Sites Release Capacity to Meet Demands.
- Sites Storage Capacity to Meet 2019 Participation Levels.
- Value Planning Alternatives and Costs.
- Repayment Costs.
- Alternative Screening.
- Recommended Project.

8. <u>September 1, 2020 through December 2021 Work Plan:</u>

8.1 Discussion and possible direction to staff regarding development of the 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.

General Manager Watson provided an overview of the work plan for September 1, 2020 through the end of December 2021 as follows:

- Information to be included in the Home Board package.
- Process to Execute Amendment 2 Agreement.
- Proposed Goals to be Completed by end of 2021.
- Target-setting Schedule (from January).
- Strawman Schedule (Updated Targets.)
- Environmental Planning.
- Permitting.
- Engineering.
- Ongoing Management & Business Functions.
- Strawman Funding Scenarios.
- Summarized Results: Scenarios A, B and C.

Lengthy discussion followed on information to be included in the Home Board package, the three Strawman funding scenarios, risks, cash calls, costs, participation agreements and key deliverables. Following discussion, direction was given to Staff to pursue Scenario A.

12:30 p.m. Representatives from San Bernardino Valley MWD, San Gorgonio Pass WA, Desert WA and Santa Clarita Valley WA vacated their seats and left the meeting.

9. Recap: Watson

- 9.1 Agenda topics for next meeting?
 - Presentation: Statewide water management actions: Reclamation's perspective on the Re-initiation of Consultation on Long-Term Operations.
- 9.2 Upcoming Reservoir Committee meeting:

Thursday, March 19, 2020 1:00 PM Tsakopoulos Library Galleria 828 | Street, Sacramento, CA 95814

Chairman Bettner adjourned the meeting at 12:45 p.m.

 Chairman	General Manager
Thad Bettner	Jim Watson

Subject: Reservoir Committee Meeting

9:00 AM - 1:00 PM

Attachment A to Meeting Minutes - Roll Call

Current Voting Committee Participants (21):

	<u> </u>	committee rarticipants	\ - - /	•		
✓	Pct	Participant		✓	Pct	Participant
V	3.42	American Canyon, City			2.64	LaGrande WD
	2.51	Antelope Valley-East Kern WA		×	15.34	Metropolitan WD
×	2.46	Carter MWC		V	3.42	Reclamation District 108
\checkmark	4.97	Coachella Valley WD		\checkmark	7.93	San Bernardino Valley MWD(‡)
$\overline{\checkmark}$	4.97	Colusa County		\checkmark	6.01	San Gorgonio Pass WA
$\overline{\checkmark}$	5.49	Colusa Co. WD		×	6.53	Santa Clara Valley WD
×	2.50	Cortina WD (‡)		\checkmark	3.67	Santa Clarita Valley WA
V	2.90	Davis WD (1)		\checkmark	6.27	Westside WD
V	0.00	Department of Water Resources (non-voting)		\checkmark	3.17	Wheeler Ridge-Maricopa WSD
V	4.06	Desert WA (‡)		\checkmark	0.00	US Bureau of Reclamation (non-voting)
$\overline{\checkmark}$	3.09	Dunnigan WD		\checkmark	4.97	Zone 7 WA
V	3.68	Glenn-Colusa ID	•		100.00	Total

- **15.** Voting members represented at Meeting's start (See Note 1) ✓
- **68.0** % Represented participation percentage
- 19. Represented by 10:00 am (See Note 1)
- **94.8** % Represented participation percentage
- 16. Represented after 12:30 pm (See Note 1) (‡)
- **80.4** % Represented participation percentage

Representation has been delegated as follows:

- (1) To Shelley Murphy, Colusa Co. WD
- (‡) Not present after 12:30 pm

<u>NOTE 1</u>: Participation by phone are not counted in quorum or voting.

NOTE 2: Additional participants were on Caveat 1 the phone, but did not identify themselves. Caveat 2 Subject to revision

Status:
Purpose:
Caveat 1

Meeting Record

Version: 0

 $\begin{array}{cccc} \text{Date:} & 2020 \text{ February 21} \\ \text{Ref/File \#:} & 12.221\text{-}210.018 \\ & \text{Page:} & 1 & \text{of} & 1 \end{array}$

(2019)

Subject: Reservoir Committee Meeting

9:00 AM - 1:00 PM

Attachment B to Meeting Minutes - Attendance

Participant	✓	Representative	✓	Alternate	Others
American Canyon, City		Felix Hernandez III		Jason Holley	☑ Rick Kaufman
AVEK WA		Dwayne Chisam		Dan Flory	
Carter MWC	\checkmark	Ben Carter		Ann Carter	
Coachella Valley WD	\checkmark	Robert Cheng	\checkmark	Ivory Reyburn	
Colusa County.	\checkmark	Mike Azevedo	\checkmark	Gary Evans	
Colusa Co. WD	V	Shelley Murphy		Joe Marsh	
Cortina WD	V	Jim Peterson		Chuck Grimmer	
Davis WD		Jamie Traynham		Tom Charter	
Desert WA	V	Mark Krause	$\overline{\checkmark}$	Steve Johnson	
Dunnigan WD	V	Bill Vanderwaal			
Glenn-Colusa ID	V	Thad Bettner		Don Bransford	
LaGrande WD		Zach Dennis		Ken LaGrande	
Metropolitan WD	V	Randall Neudeck		Chandra Chilmakuri	
RD 108	$\overline{\checkmark}$	Bill Vanderwaal		Blair Lewis	
San Bernardino V MWD	$\overline{\checkmark}$	Bob Tincher	\checkmark	Heather Dyer	
San Gorgonio Pass WA	\checkmark	Jeff Davis			
Santa Clara Valley WD		Cindy Kao	V	Eric Leitterman	
Santa Clarita Valley WA	$\overline{\checkmark}$	Dirk Marks		Steve Cole	
Westside WD		Allan Myers	\checkmark	Dan Ruiz	
Wheeler Ridge-Maricopa WSD	\checkmark	Rob Kunde			
Zone 7 WA	V	Amparo Flores		Carol Mahoney Jarnail Chahal Wes Mercado Valerie Pryor	

Non-Voting Committee Participants (2):

☑ Trapasso, Joe Sites Project Authority

Participant	✓	Representative/Other	✓	Alternate/Other		
Dept of Water Resources		Rob Cooke		David Sandino		
		Ajay Goyal		Jim Wieking		Dave Arrate
Bureau of Reclamation		Richard Welsh		Don Bader		Chris Duke
		Kellye Kennedy Ryan Davis Natalie Wolder		Derya Sumer Mike Dietl David Van Rijn		Mike Mosley Shana Kaplan
Pending Reservoir	Com	ımittee Participan	ts (0):		
Participant	✓	Representative	✓	Alternate		
Authority, Non-Sig	nato	Representative	✓	Alternate		
Glenn County		John Viegas	П	mate		
PCWA		Ed Horton		Ben Barker Darin Reintjes		
Roseville		Sean Bigley		Trevor Joseph Jason Marks		
Sacramento, City of		Jeff Harris		Anne Sanger		
Sacramento County WA		Kerry Schmitz		Michael Peterson		
Tehama-Colusa Canal Authority		Jeff Sutton				
Staff:						
√ Name	Repr	esenting	v	 Name	Repre	esenting
Forsythe, Ali		Project Authority	5	-		Project Authority
Frederiksen, Lee	Sites	Project Authority	5	Watson, Jim	Sites	Project Authority
Spesert, Kevin	Sites	Project Authority				

Consultants:

✓	Name	Representing	✓	Name	Representing
	Alexander, Jeriann	n Furgro	\checkmark	Kivett, Marcia	Sites Project Authority
	Barnes, Joe	AECOM		Kuney, Scott	Young Wooldridge
\checkmark	Boling, Robert	HDR		Montague, Doug	Montague DeRose Assoc.
\checkmark	Briard, Monique	ICF		Motamed, Farid	Fugro
	Brown, Doug	Stradling		Robinette, JP	Brown & Caldwell
	Brown, Scott	LWA		Rossetto, Sarah	Katz & Associates
	Bruner, Marc	Perkins Coie		Rude, Peter	Ch2m
	Campbell, Jeff	Project Controls Cubed		Spranza, John	HDR
	Durbin, Gary	Brown & Caldwell		Tull, Rob	Ch2m
	Floyd, Kim	Floyd		Van Camp, Marc	MBK
	Herrin, Jeff	AECOM	V	Warner Herson, Laurie	Phenix
V	Heydinger, Erin	HDR			
	Johns, Jerry	Johns			
	Katz, Sara	Katz & Associates			

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

Name	Representing	Contact (Phone & E-mail)
Paul Weghorst	Irvine Ranch WD	
Cathy Westcott	HDR	
Nicole Williams	ICF	
Juleah Cordi	Assemblyman Gallagher's Office	
Laura Nicholson	Senator Nielsen's Office	