

RESERVOIR COMMITTEE MEETING

FEBRUARY 21, 2020

Agenda Item 8.1: Work Plan



Outline

April Deliverable: Home Board Package

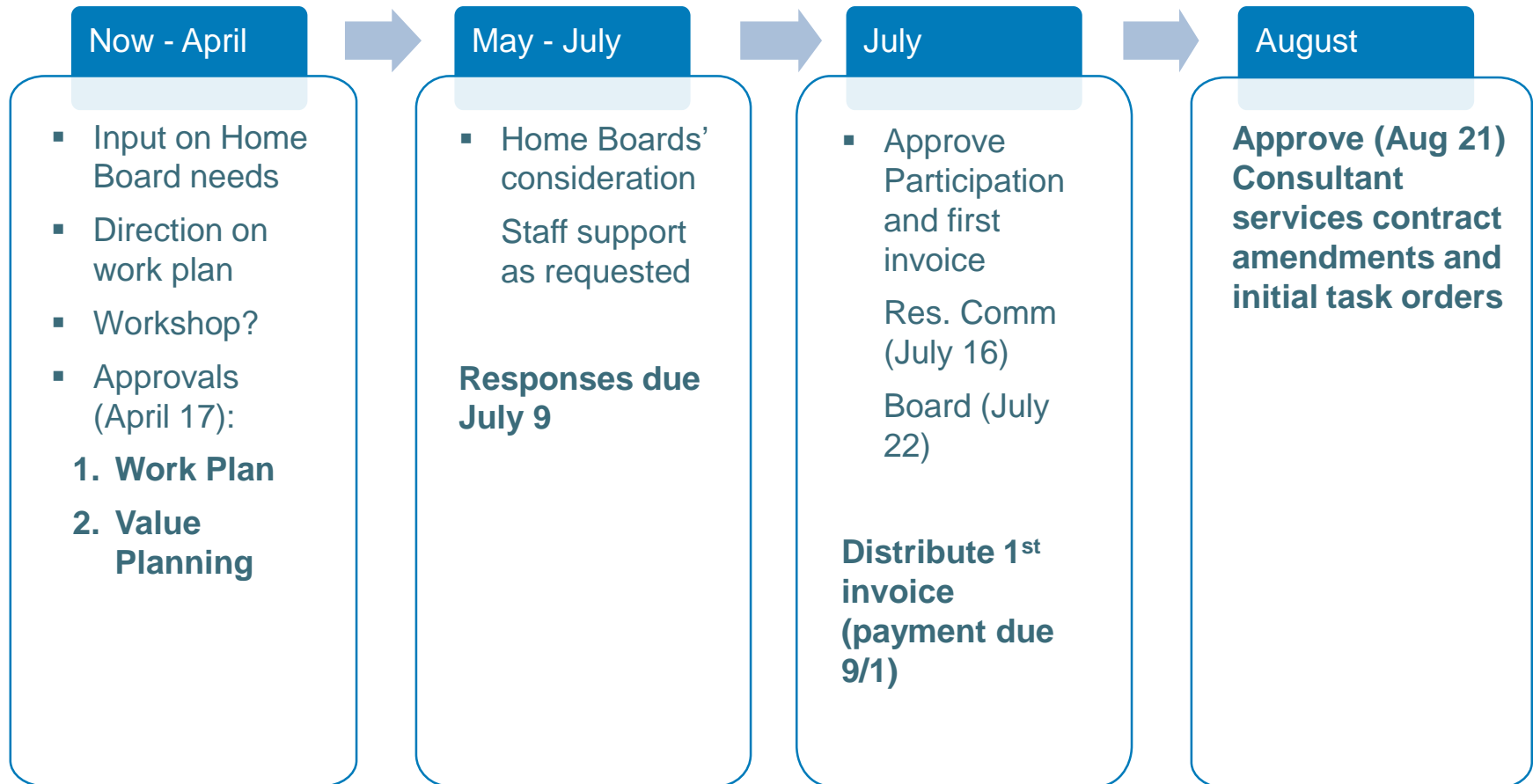
Work Plan for Sept 2020 thru Dec 2021 (Amendment 2)

- Goals & objectives
- Progress since January's meeting
- Work Plan - detailed Task List
- Status of CPM Schedule
- Concept-level Scenarios
- Discussion & direction

April Home Board Package

1. Amended Participation Agreement
 - + Exhibit B: Summarized work plan
2. Value Planning Report
 - + Updates on operations, environmental, & permitting
3. Draft Storage Policy
4. Executive-level prospectus
5. Executive-level PowerPoint
6. Annual Report (2019)
7. Other Items?

Process to Execute Amendment 2 Agreement



Proposed Goals to Complete by End of 2021

- a. Operational plan & certainty
- b. 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
- c. Environmental analysis and documentation (EIR/EIS) largely completed

Proposed Goals to Complete by End of 2021

- d. Affordability & engineering design (work in progress)
 - Incorporate DSOD requirements
 - Incorporate CVFPB requirements
 - Address other construction-related permits &/or agreements
- e. Stakeholder partnerships (and draft agreements)

Proposed Goals to Complete by End of 2021

- f. Prop 1 eligibility 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, & environmental)
 - ✓ At least 75% commitment for non-Prop 1 benefits (local agencies plus federal)

Proposed Goals to Complete by End of 2021

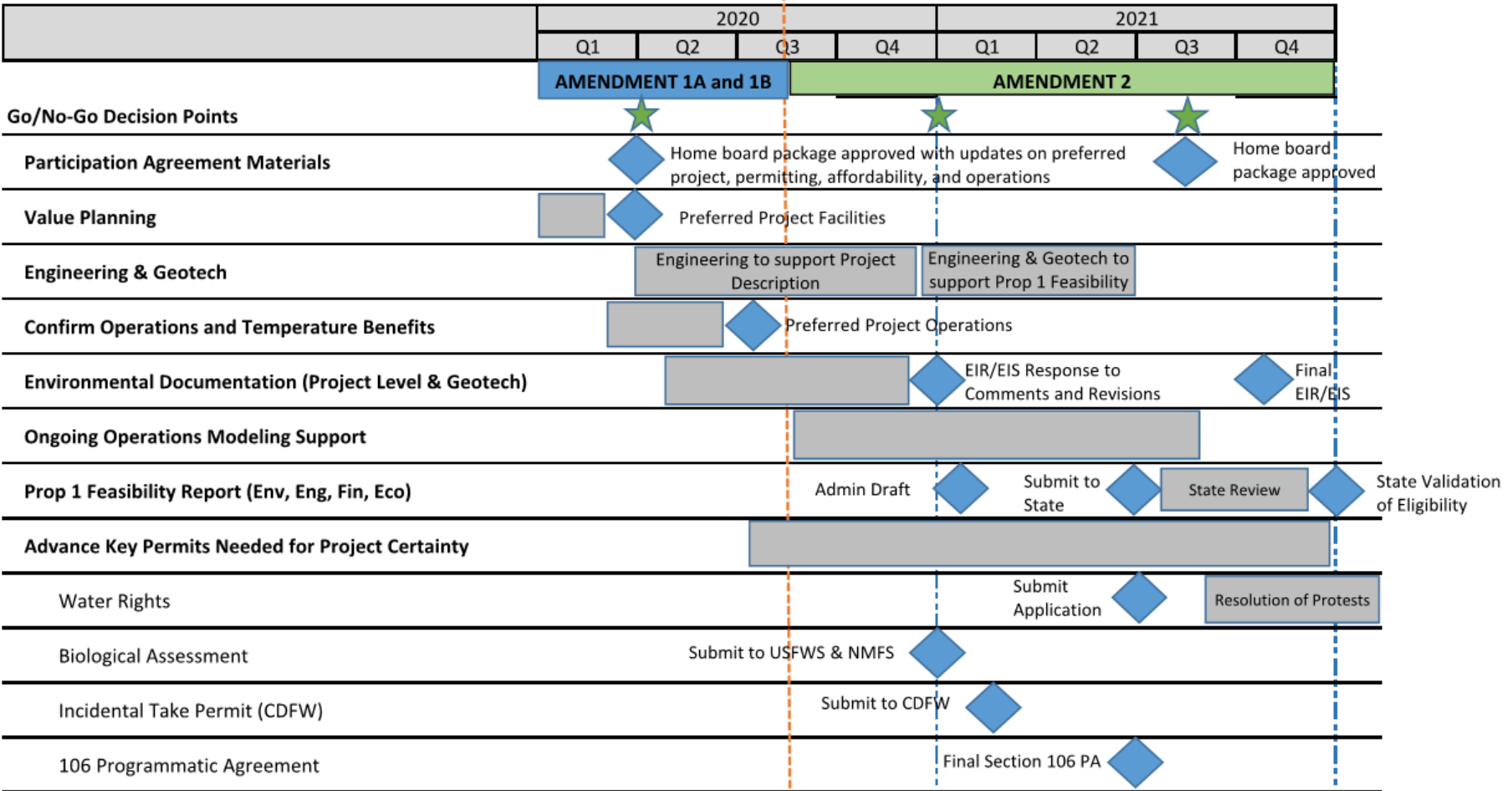
- g. Manage go/no-go decisions
- h. Prepare successor agreements

Any changes?

Target-setting Schedule (From January)



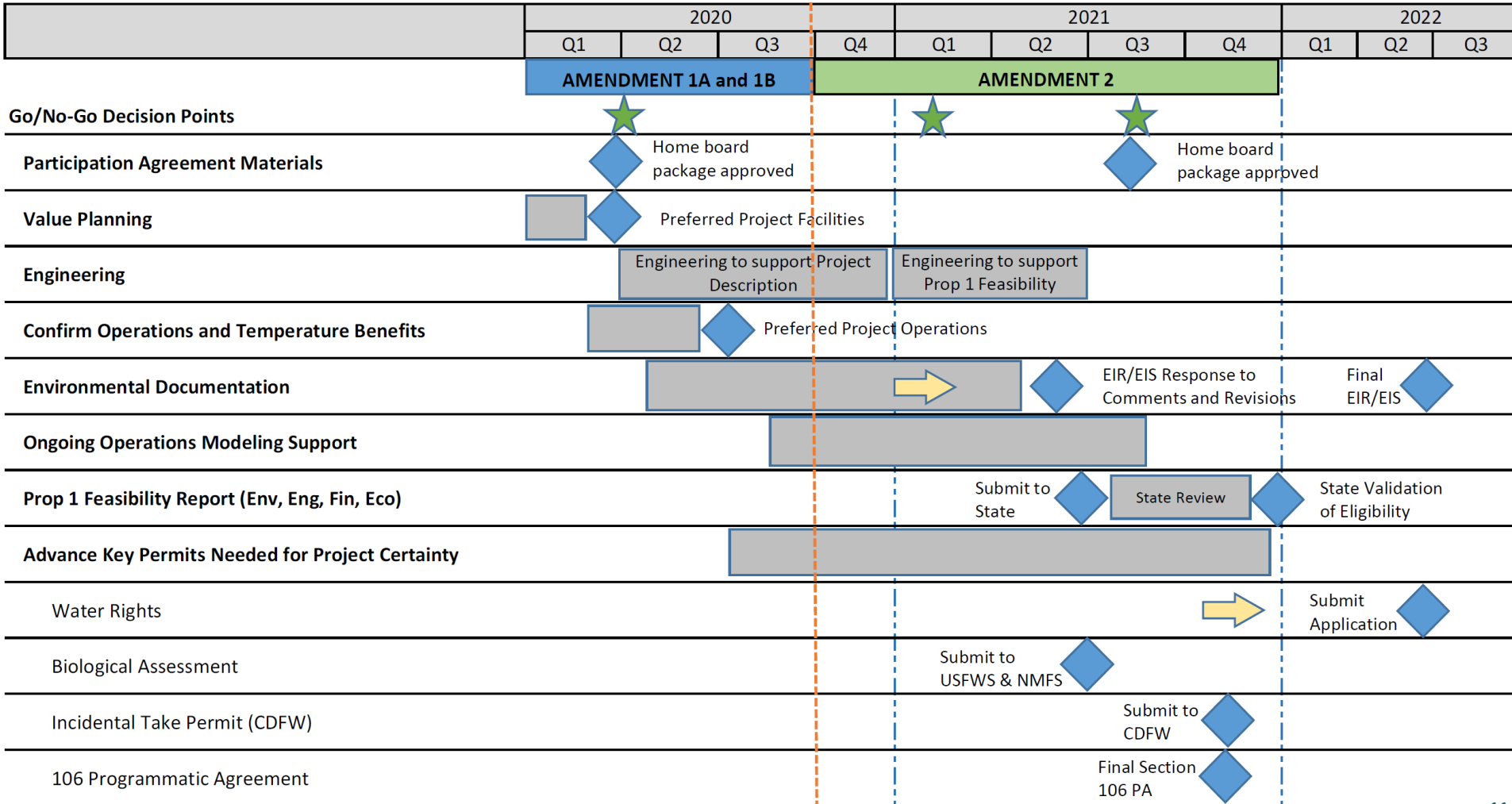
September 1, 2020



Strawman Schedule (Updated Targets)



September 1, 2020



Post-Value Planning and Project Description Development (Post August 2020)

1. Continue CEQA/NEPA analysis
2. Advance key permits
3. Complete Prop 1 (WSIP) Feasibility Report
4. Coordinate with Reclamation

Key Technical Teams:

- Reservoir operations
- Environmental Planning
- Permitting
- Engineering
- Real Estate
- Financial
- Legal counsels (General, Bond, CEQA)
- Communications & Engagement

Reservoir Operations

Operations Lead:

- a. Operations Plan

Operations Support:

- a. Environmental analysis and documentation
- b. Permitting, including water rights
- c. Engineering (hydraulics)
- d. Various Agreements

Discussion – what's missing or needs to change?

Environmental Planning

Environmental Planning Lead:

- a. Revisit draft EIR/EIS
- b. Final EIR/EIS

Environmental Planning Support:

- a. Prop 1 Feasibility Report
(environmental and mitigation costs)
- b. Additional geotechnical data collection
- c. Public benefit agreements (Prop 1)

Discussion – what's missing or needs to change?

Permitting

Permitting Lead:

- a. Incidental Take Permit application
- b. Section 106 Programmatic Agreement
- c. Water right application advanced
- d. State and Federal Clean Water Act permits

Permitting Support:

- a. Prop 1 Feasibility Report (mitigation costs)
- b. Biological Assessment for Reclamation's use
- c. Additional geotechnical data collection
- d. Public benefit agreements (Prop 1)

Discussion – what's missing or needs to change?

Engineering

Engineering Lead:

- a) Construction cost estimate and schedule
- b) Updated risk assessment
- c) Geotechnical data collection

Engineering Support:

- a) Prop 1 Feasibility Report (technical & economic)
- b) Environmental analysis & documentation
- c) Critical permits
- d) Water right application

Discussion – what's missing or needs to change?

Ongoing Management & Business Functions

Program Management:

- a) Support to Authority & Reservoir Committee
- b) Day-to-day program management and oversight
- c) Financial & cost management
- d) Document, data & schedule management
- e) Contract procurement, management & compliance
- f) Risk & quality management
- g) Insurance program
- h) Risk assessment
- i) Health & Safety

Discussion – what's missing or needs to change?

Status to develop the CPM Schedule

Process:

1. Developed Component-level schedules
 - Updated task list, estimated durations & workflow
 - Service area consultants participated
2. Integrated component schedules
 - Clarify dependency logic between components
 - Initial assessment of milestones

Strawman Funding Scenarios

Process:

- Started with task list & rough CPM schedule
- Developed scenarios and then assigned cost to
 - ✓ “No geotechnical data” Scenario B
 - ✓ “Collect geotechnical data” Scenario A
 - ✓ “Extended schedule” Scenario C
- Summarized pro/cons & risks (refer to staff report)
- Next Steps: (preparations for March meeting)
 - ✓ Obtain direction: Define 1 scenario to advance
 - ✓ Update task list, add details to schedule, and spread costs to set cash call amounts and timing

Summarized Results: Scenario A

Revenue: \$32 m = \$ 19 (Res Comm) + \$ 13 (State & Fed)

Key Deliverables:

- Draft EIR by mid-2021 with Final EIR by mid-2022
- Application for WIFIA financing submitted in mid-2021
- Prop 1 Feasibility Report by Fall-2021

Risks & Consequences

- + Increased project's certainty
- + Continuity of State's decision-making (election 11/08/23)
- + Likely to obtain increased federal cost share
- + Most likely to meet Prop 1 eligibility determination (01/01/22)

Summarized Results: Scenario B

Revenue: \$24 m = \$ 15 (Res Comm) + \$ 9 (State & Fed)

Key Deliverables:

- Draft EIR by mid-2021 with Final EIR by mid-2022
- Application for WIFIA financing submitted in mid-2021
- Prop 1 Feasibility Report by Fall-2021

Risks & Consequences:

- ? Incremental improvement in project's certainty
- ? Continuity of State's decision-making (election 11/08/23)
- ? Likely to obtain additional federal cost share
- ? Increased risk to meet Prop 1 eligibility determination (01/01/22)

Summarized Results: Scenario C

Revenue: \$21 m = \$ 17 (Res Comm) + \$ 8 (State & Fed)

Key Deliverables:

- Draft EIR by mid-2021 with Final EIR by late-2022
- Application for WIFIA financing delayed ~ 1 year
- Prop 1 Feasibility Report by Late-2021

Risks & Consequences:

- Status quo in project's certainty & increased participant fatigue
- Continuity of State's decision-making (election 11/08/23)
- Less likely to obtain additional federal cost share
- Less likely to meet Prop 1 eligibility determination (01/01/22)

DISCUSSION:
DEFINE 1 SCENARIO TO ADVANCE

