



Meeting: **Joint Reservoir Committee & Authority Board**  
**Agenda Item 1.5**

**September 22, 2021**

Subject: **Contract Amendment and Task Order 1 for Larsen Wurzel & Associates, Inc.**

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**Requested Action:**

Consider approval of a contract amendment and a new Amendment 2 task order (Task Order 1) with Larsen Wurzel & Associates, Inc. (LWA) to update the Sites Reservoir Project Credit Reimbursement Policy in the amount of \$26,600 bringing the not to exceed total contract amount to \$186,600 since inception and extending the contract through December 31, 2021.

**Detailed Description/Background:**

The Authority identified the need to make revisions to the Funding Credit & Reimbursement Policy (Policy) that establishes the terms, guidelines and framework for funding the planning phases of the Sites Reservoir Project to be consistent with the development of the Project's Storage Principles.

Beginning in October 2016, LWA was engaged by the Authority to develop a Funding Credit & Reimbursement Policy (Policy) for the purpose of setting the framework for crediting participating agencies for funding contributions and establishing a process for changes in participation and/or conversion of Class 2 Water. LWA has supported changes to the Policy since.

On April 21, 2021, the Authority approved the Principles for the Storage, Delivery and Sale of Sites Reservoir Project Water and approved the methodology for allocation of storage space in Sites Reservoir to each local Storage Partner. A transition to the basis for participating in the Project through storage volume needs to be reflected in revisions to the Policy. The supply capacity and storage volume approach will need to be carried forward in tandem until the final project size and the final state and federal participation is determined.

LWA will initiate work during Amendment 2 supporting staff with revisions to the Policy with a cost of \$26,600. Task Order 1.0 contains the following tasks:

- **Recognize in the Funding and Credit Reimbursement Policy the consideration for transitioning to Storage Based Participation:** Work associated with incorporating updates to the Policy including the

transition approach and timing to conversion to storage, and defining terms associated with storage-based participation (\$13,000).

- **Develop provisions for a “time value of money” charge for new participants:** Work associated with developing the terms and conditions for establishing a “time value of money” adjustment for new participants (\$13,600).

The proposed additions to scope and increased budget have been reviewed and were recommended for approval by the Budget and Finance Committee at their meeting on September 16, 2021.

**Prior Action:**

July 20, 2018: Approved LWA Contract Modification 2 – reallocation of task level budget (contract ceiling remained \$160,000)

**Fiscal Impact/Funding Source:**

There will be no increase to the Amendment 2 Work Plan as the Task Order \$26,600 will be offset by Division of Safety of Dams (DSOD) permit application fee that was initially anticipated to be spent during Amendment 2 (but has been deferred to Amendment 3).

**Staff Contact:**

Joe Trapasso/JP Robinette

**Primary Service Provider:**

Project Controls

**Attachments:**

None.