



Meeting: **Reservoir Committee Agenda Item 4.3**

**February 18, 2022**

Subject: **Amendment 3 Status and Outreach Update**

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**Requested Action:**

Review and comment on Amendment 3 Project Agreement Approval Process including estimated participation levels, outreach and rebalancing, and schedule.

**Detailed Description/Background:**

A soft call Participant survey was conducted to seek input on the anticipated timing of home board review/approval of the Amendment 3 Project Agreement.

**Outreach and Rebalancing**

Following a series of informal discussions regarding potential participation, staff is accumulating interest received from entities that are looking to secure new water supplies by participating in the project. Other agencies are considering their options and staff will keep you posted monthly of letters of interest received. At this stage, it is too early to make commitments to new participation. Staff will bring a recommendation for addressing needs in March 2022 to allow more time for current participants to make their decisions.

**Schedule**

Periodic updates will be provided by Authority staff to keep the Reservoir Committee & Authority Board apprised of individual agency status for consideration of approval. In addition, the Authority staff is discussing new participation with interested agencies and will bring reports on this interest when appropriate.

**Prior Action:**

January 2022: Reviewed and commented on Amendment 3 Project Agreement Approval Process including estimated participation levels, outreach and rebalancing, and schedule.

September 2021: Approved the Amendment 3 Project Agreement and Work Plan with a period of performance of January 1, 2022 to December 31, 2024 to initiate Participant home board review, deliberation and execution of the agreement

**Fiscal Impact/Funding Source:**

The total estimated local funding (Reservoir Committee Cash Call) required for Amendment 3 is up to \$400/AF and will occur in three annual cash calls. The 1<sup>st</sup> cash call is for \$100/AF due April 1, 2022. The 2<sup>nd</sup> and 3<sup>rd</sup> cash calls are for “up to” amounts of \$140/AF due January 1, 2023, and \$160/AF due January 1, 2024, respectively. A work plan progress check-in will occur annually and assess the need for the “up to” amounts in the 2<sup>nd</sup> and 3<sup>rd</sup> cash calls. The decision to bank finance will occur as soon as early 2023. If the decision is made to initiate bank financing for all or a portion of participants, then a revised work plan and successor agreement will be developed to address the changing conditions. Also, results of rebalancing and Reclamation level of investment could affect future cash call timing and amounts.

**Staff Contact:**

JP Robinette/Cheyenne Harris

**Primary Service Provider:**

Brown and Caldwell

**Attachment:**

None.