

Reservoir Committee Chair: Thad Bettner (Glenn-Colusa Irrigation District)

Reservoir Committee Vice-Chair: Valerie Pryor (Zone 7 Water Agency)

Treasurer: Jamie Traynham (Davis Water District)

MINUTES

CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Vice Chair Pryor called to order the Reservoir Committee (RC) Meeting at the hour of 9:00 a.m., followed by the Pledge of Allegiance.

ROLL CALL:

Roll of the Reservoir Committee was called (Attachment A) which resulted in 17 eligible representatives. This equated to 78.5% of the current participation percentage being in attendance, which is greater than the 50% needed to have a quorum of the Reservoir Committee.

INTRODUCTIONS:

The Sites Staff, Consultants, and members of the public introduced themselves.

AGENDA APPROVAL:

It was moved by Ruiz, seconded by Vanderwaal to approve the November 18, 2022, Reservoir Committee Meeting Agenda. **Motion carried unanimously.**

ANNOUNCEMENT OF CLOSED SESSION:

Counsel Doud announced the Reservoir Committee would consider Closed Session matters 5.1 through 5.5.

PERIOD FOR PUBLIC COMMENT:

Vice Chair Pryor called for a period for public comment. Hearing none, she closed the period for public comment.

1. CONSENT AGENDA:

It was moved by Traynham, seconded by Vanderwaal to approve the Consent Agenda Item numbers 1.1 through 1.5 as follows:

- 1.1 Approve the October 21, 2022, Reservoir Committee Meeting Minutes.
- 1.2 Accept the Sites Project Authority Treasurer's Report.
- 1.3 Approve the Payment of Claims.
- 1.4 Accept the Sites Project Authority's Q3 2022 Budget Year Quarterly Financial Report.

- 1.5 Authorize an increase to the Perkins Coie legal services contract by the amount of \$250,000, which would increase the 2022 task order amount and increase the total contract ceiling amount for the A3 work period to \$1,294,000 for the period of January 1, 2022 through December 31, 2024.

Motion carried unanimously.

2. Action Items:

- 2.1 Approve the following actions related to the Amendment 3 Work Plan:

- a) Acknowledge adjustments to total planned A3 work plan revenues and expenditures of less than 10% change to reflect updated conditions.
- b) Approve the 2023 Budget.
- c) Authorize invoicing the 2nd cash call of the A3 work period of \$100/acre-foot in January 2023.
- d) Authorize increases to total consultant contract authority for specified consultant contracts to cover new work scope items.

Mr. Maltby gave a PowerPoint presentation on the Work Plan Update & Annual Budget for 2023 and spoke to the following:

- Recommendation for 2023 cash call is \$100/acre-foot.
- 2023 budget reflects the shifting of Geotech field activities dependent on land access and delays in permitting and the Water Right.
- 2023 Budget Estimate Revenue, Carryover from Amendment 2.
- 2023 Budget Estimate Expense, revised communications budget.
- Amendment 3 Work Plan Overview, Work Plan Summary, Work Plan Check-in Status.

Executive Director Brown spoke to the requirements in the JPA, Bylaws and Amendment 3 Project Agreement language, how elements of this agenda item could be considered to constitute a material change, and as such require a 75% majority vote from the Reservoir Committee and Authority Board. Executive Director Brown commented that an increased emphasis on consideration of material change is needed to conduct business in alignment with existing governance conditions.

ACTION:

It was moved by Kunde, seconded by Traynham to recommend to the Authority Board to approve the following actions related to the Amendment 3 Work Plan:

- a) Acknowledge adjustments to total planned A3 work plan revenues and expenditures of less than 10% change to reflect updated conditions.
- b) Approve the 2023 Budget.
- c) Authorize invoicing the 2nd cash call of the A3 work period of \$100/acre-foot in January 2023.
- d) Authorize increases to total consultant contract authority for specified consultant contracts to cover new work scope items.

Motion carried unanimously.

- 2.2 Adopt the Final Guiding Principles and Preliminary Terms as supporting materials for the Water Infrastructure Finance and Innovation Act (WIFIA) loan application and to serve as the basis for the drafting of the Sites Reservoir Benefits and Obligations Contract.

Mr. Robinette gave a PowerPoint presentation on Final Guiding Principles and spoke to the following:

- The Final Guiding Principles foundation for drafting the Sites Reservoir Benefits and Obligations Contract.
- Guide the basic mechanics prior to advancing further into the WIFIA loan application process.
- Mutual understanding, feedback, and input.
- Approving the Final Guiding Principles is not a commitment of participants to any requirement in the contract.

Brief discussion followed.

ACTION:

It was moved by Azevedo, seconded by Vanderwaal to recommend to the Authority Board to adopt the Final Guiding Principles and Preliminary Terms as supporting materials for the WIFIA loan application and to serve as the basis for the drafting of the Sites Reservoir Benefits and Obligations Contract.

Motion carried unanimously.

- 2.3 Adopt the following documents in relation to preparing an application for WIFIA loan:

- a) Master Resolution describing the Authority's approach and priorities to collection and use of revenues to pay Authority expenses.
- b) WIFIA Reserve Policy of the Authority consistent with the Final Guiding Principles and Preliminary Terms.
- c) Debt Management Policy in compliance with Government Code requirements.

Mr. Robinette gave a PowerPoint presentation on the Master Resolution & Indicative Credit Rating Financial Documents and spoke to the following:

- Master Resolution describing the Authority's approach, priorities to the collection, and use of revenues to pay Authority expenses.
- WIFIA Reserve Policy of the Authority, Debt Management Policy.
- Investment-grade credit rating, share project risks equally amongst all storage partners, the beneficiary pays principle.
- Process for participants to avoid defaults.
- The indicative rating is confidential and will not be reflected in an issuer's or participant's current ratings.

Doug Brown, Stradling Law, spoke to the revision of the Master Resolution notating that it has been updated to indicate that the liquidity reserve can be used to cure any shortfall.

ACTION:

It was moved by Azevedo, seconded by Vanderwaal to recommend to the Authority Board to adopt the following documents in relation to preparing an application for a WIFIA loan:

- a) Master Resolution describing the Authority's approach and priorities to collection and use of revenues to pay Authority expenses.
- b) WIFIA Reserve Policy of the Authority consistent with the Final Guiding Principles and Preliminary Terms.
- c) Debt Management Policy in compliance with Government Code requirements. **Motion carried unanimously.**

- 2.4 Approve the Authority Board membership dues covering Authority general and administrative costs estimated to not exceed \$470,000 in the fiscal year 2023, which equates to dues per member of \$50,000 (9 members total) and \$5000 per Associate Member (2 members total). Authorize the release of invoices in January 2023.

Mr. Trapasso gave a PowerPoint on the Authority Board 2023 Membership Dues and spoke to the following:

- Authority Board Costs, general and administrative expenses-largely fixed costs.
- Routine AB costs are grouped into two categories, Direct expenses, and shared expenses.
- Reduction of Authority Board dues from \$55,000 to \$50,000; associate member fee remains at \$5,000.

Brief discussion was held on the Authority Board dues and Associate Member fees.

ACTION:

It was moved by Traynham, seconded by Ruiz to recommend to the Authority Board to approve the Authority Board membership dues covering Authority general and administrative costs estimated to not exceed \$470,000 in fiscal year 2023, which equates to dues per member of \$50,000 (9 members total) and \$5000 per Associate Member (2 members total). Authorize release of invoices in January 2023. **Motion carried unanimously**

- 2.5 Authorize a monthly compensation adjustment to the consulting contracts with the Executive Director and Authority Agents.

Executive Director Brown spoke to the updated consulting contracts staff report, noting that the report includes a detailed explanation of a 5% monthly compensation adjustment for the Executive Director and the Authority Agents effective January 1, 2023.

ACTION:

It was moved by Vanderwaal, seconded by Kunde to recommend to the Authority Board to authorize a monthly compensation adjustment to the consulting contracts with the Executive Director and Authority Agents.

Motion carried unanimously.

3. Discussion and Information Items:

- 3.1 Review and comment on other water management activities across the state relative to Sites.

Ms. Forsythe gave a PowerPoint presentation on Water Management Activities Relative to Sites and spoke to the following:

- 2021 consultation on the long-term operations of the Central Valley Project and State Water Project.
- Bay-Delta Water Quality Control Plan Update, Delta Conveyance Project.
- Water Storage Investment Program Projects.
- Water Infrastructure Investments for the nation (WIIN) Act Projects.
- Water Right Curtailments and Water Unavailability Tool.
- Voluntary Agreements, Appreciation for staff updates, and monitoring.

Brief Discussion Followed.

4. Reports:

- 4.1 Chairpersons' Report:

None.

- 4.2 Workgroup Chairpersons' Report:

None.

- 4.3 Reservoir Committee Participant Reports:

None.

- 4.4 Executive Director's Reports:

Executive Director Brown spoke to the following:

- Water Right Permit.
- Work Plan Progress Report, Work Plan Schedule Summary of Changes.
- Monthly Status Report.
- Draft to Phase 3 Flow Chart.

- Meetings Action Items summary report, UC Santa Cruz preliminary results expected mid-December.

Azevedo spoke to the preparation for the response to the State Water Resources Control Board's letter regarding the Water Right Permit.

Vice Chair Pryor declared a recess at 10:26 and convened into Closed Session to consider Closed Session matters 5.1 through 5.5.

5. Closed Session:

5.1 Negotiations concerning Sites Project operation terms, conditions, and agreements with the California Department of Fish & Wildlife (Govt. Code §§54956.9(c)).

5.2 Negotiations concerning water rights permit terms and conditions (Govt. Code §54956.9(c) and §54956.9(d)(4)).

5.3 Negotiations concerning Sites Project operation terms, conditions, and agreements with the Department of the Interior, Bureau of Reclamation (Gov. Code 54956.6(c)).

5.4 Conference with Legal Counsel—Anticipated Litigation; significant exposure to litigation (Govt. Code § 54956.9(d)(2)) (1 Item)

5.5 Conference with Real Property Negotiators (Govt. Code §§54956.8)
Property: Glenn-Colusa Irrigation District Main Canal, Tehama Colusa Canal rights of way and associated conveyance facilities.

Agency Negotiator: Jerry Brown, Kevin Spesert, JP Robinette; Negotiating parties: Glenn-Colusa Irrigation District, Tehama Colusa Canal Authority and Bureau of Reclamation.

Under Negotiation: Price and terms of payment for facilities lease/common use agreement.

Vanderwaal and Ruiz recused themselves from Closed Session Item 5.5 due to a possible conflict of interest.

Vice Chair Pryor adjourned Closed Session at 11:52 A.M. and reconvened into Open Session.

6. Report from Closed Session

Counsel Doud stated as to Closed Session matters there was no reportable action taken.

7. Recap:

7.1 Suggested Future Agenda Items.

None.

7.2 Upcoming Meetings:

Authority Board Meeting

Monday, November 21, 2022 (1:30 – 4:00 pm)

Joint Reservoir Committee & Authority Board

Friday, December 16, 2022 - 9:00 AM to 12:00 PM

Maxwell Project Office, 122 Old Highway 99

All meetings will be in the Maxwell Project Office (122 Old Highway 99, Maxwell, CA 95955) with a virtual option.

Virtual Information will be provided before all meetings at [Sitesproject.org](https://sitesproject.org).

Vice Chair Pryor adjourned the Reservoir Committee Meeting at the hour of 11:55 a.m.

Valerie Pryor, Vice Chair

Sandra Yarbrough, Board Clerk

Current Voting Committee Participants (22):

	<i>Pct</i>	<i>Participant</i>	
<input checked="" type="checkbox"/>	3.47	American Canyon, City	
<input type="checkbox"/>	2.42	Antelope Valley-East Kern WA	
<input checked="" type="checkbox"/>	5.28	Coachella Valley WD	
<input checked="" type="checkbox"/>	5.28	Colusa County	
<input type="checkbox"/>	5.05	Colusa Co. WD	
<input checked="" type="checkbox"/>	2.41	Cortina WD	(1)
<input checked="" type="checkbox"/>	2.87	Davis WD	
<input checked="" type="checkbox"/>	4.22	Desert WA	
<input checked="" type="checkbox"/>	3.17	Dunnigan WD	
<input type="checkbox"/>	3.77	Glenn-Colusa ID	
<input checked="" type="checkbox"/>	2.57	Irvine Ranch WD	
<input checked="" type="checkbox"/>	2.57	LaGrande WD	(1)

	<i>Pct</i>	<i>Participant</i>
<input checked="" type="checkbox"/>	17.29	Metropolitan WD
<input checked="" type="checkbox"/>	3.47	Reclamation District 108
<input checked="" type="checkbox"/>	2.42	Rosedale-Rio Bravo WSD
<input checked="" type="checkbox"/>	8.70	San Bernardino Valley MWD
<input type="checkbox"/>	6.48	San Geronio Pass WA
<input checked="" type="checkbox"/>	2.42	Santa Clara Valley WD
<input type="checkbox"/>	3.77	Santa Clarita Valley WA
<input checked="" type="checkbox"/>	3.89	Westside WD
<input checked="" type="checkbox"/>	3.19	Wheeler Ridge-Maricopa WSD
<input checked="" type="checkbox"/>	0.00	Department of Water Resources (non-voting)
<input checked="" type="checkbox"/>	.00	US Bureau of Reclamation (non-voting)
<input checked="" type="checkbox"/>	5.28	Zone 7 WA
	100.00	Total

17 Voting members represented at Meeting start

78.5% Represented participation percentage

Representation has been delegated as follows:

(1) To Jamie Traynham, Davis WD

(+) Not present after _____

Meeting: **Reservoir Committee**

November 18, 2022

Subject: **Attendance**

9:00 AM – 12:00 PM

Current Voting Reservoir Committee Participants (22):

<i>Participant</i>	<input type="checkbox"/>	<i>Representative</i>	<input type="checkbox"/>	<i>Alternate/Delegate</i>
American Canyon	<input type="checkbox"/>	Felix Hernandez	<input checked="" type="checkbox"/>	Jason Holley
Antelope Valley-East Kern	<input type="checkbox"/>	Dwayne Chisam	<input type="checkbox"/>	Dan Flory
Coachella Valley	<input type="checkbox"/>	Robert Cheng	<input checked="" type="checkbox"/>	Petya Vasileva
Colusa County	<input checked="" type="checkbox"/>	Mike Azevedo	<input checked="" type="checkbox"/>	Gary Evans
Colusa County Water District	<input type="checkbox"/>	Halbert Charter	<input type="checkbox"/>	Shelly Murphy
Cortina Water District	<input type="checkbox"/>	Jim Peterson	<input type="checkbox"/>	Chuck Grimmer
Davis Water District	<input checked="" type="checkbox"/>	Jamie Traynham	<input checked="" type="checkbox"/>	Jamie Traynham
Desert Water Agency	<input checked="" type="checkbox"/>	Mark Krause	<input type="checkbox"/>	Tom Charter
Dunnigan Water District	<input checked="" type="checkbox"/>	Bill Vanderwaal	<input type="checkbox"/>	Steve Johnson
Glenn-Colusa Irrigation District	<input type="checkbox"/>	Thad Bettner	<input type="checkbox"/>	Jake Spooner
Irvine Ranch	<input type="checkbox"/>	Paul Weghorst	<input checked="" type="checkbox"/>	
LaGrande Water District	<input type="checkbox"/>	Zach Dennis	<input checked="" type="checkbox"/>	Kellie Welch
Metropolitan Water District	<input checked="" type="checkbox"/>	Randall Neudeck	<input type="checkbox"/>	Ken LaGrande
RD 108	<input checked="" type="checkbox"/>	Bill Vanderwaal	<input checked="" type="checkbox"/>	Jamie Traynham
Rosedale-Rio Bravo	<input checked="" type="checkbox"/>	Trent Taylor	<input type="checkbox"/>	Nina Hawk
San Bernardino Valley	<input checked="" type="checkbox"/>	Bob Tincher	<input type="checkbox"/>	Lewis Bair
San Geronio Pass	<input type="checkbox"/>	Lance Eckhart	<input type="checkbox"/>	Dan Bartel
Santa Clara Valley	<input type="checkbox"/>	Cindy Kao	<input checked="" type="checkbox"/>	Heather Dyer
Santa Clarita Valley	<input type="checkbox"/>	Dirk Marks	<input type="checkbox"/>	Thomas Todd
Westside Water District	<input checked="" type="checkbox"/>	Allen Myers	<input checked="" type="checkbox"/>	Katherine Maher
Wheeler Ridge-Maricopa	<input checked="" type="checkbox"/>	Rob Kunde	<input type="checkbox"/>	Steve Cole
Zone 7	<input checked="" type="checkbox"/>	Valerie Pryor	<input checked="" type="checkbox"/>	Dan Ruiz
			<input checked="" type="checkbox"/>	Sheridan Nicholas
			<input checked="" type="checkbox"/>	Amparo Flores

Non-Voting Committee Participants (2):

<i>Participant</i>	<i>Representative/</i>		<i>/Other</i>	
	<input type="checkbox"/> <i>Other</i>	<input type="checkbox"/> <i>Other</i>	<input type="checkbox"/> <i>Other</i>	<input type="checkbox"/> <i>Other</i>
Dept of Water Resources	<input checked="" type="checkbox"/> Rob Cooke	<input checked="" type="checkbox"/> Jagruti Maroney	<input checked="" type="checkbox"/> Itzia Rivera	<input type="checkbox"/> Alex Vdovichenko
Bureau of Reclamation	<input type="checkbox"/> Richard Welsh	<input checked="" type="checkbox"/> Allison Jacobson	<input type="checkbox"/> Don Bader	<input type="checkbox"/> Chris Duke
	<input checked="" type="checkbox"/> Natalie Taylor	<input type="checkbox"/> Derya Sumer	<input type="checkbox"/> Kevin Jacobs	<input type="checkbox"/> Jessica Boyt
				<input type="checkbox"/> Shana Kaplan

Authority, Non-Signatory (6):

<i>Participant</i>	<input type="checkbox"/> <i>Representative</i>	<input type="checkbox"/> <i>Alternate</i>	<input type="checkbox"/> <i>Alternate</i>
PCWA	<input type="checkbox"/> Ed Horton	<input type="checkbox"/> Ben Barker	<input checked="" type="checkbox"/> Darin Reintjes
Roseville	<input type="checkbox"/> Sean Bigley	<input type="checkbox"/> Jason Marks	
Sacramento County WA	<input type="checkbox"/> Jeff Harris	<input type="checkbox"/> Brett Ewart	<input type="checkbox"/> Ann Sanger

Staff:

<input type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input checked="" type="checkbox"/> Brown, Jerry	Sites Project Authority
<input checked="" type="checkbox"/> Forsythe, Ali	Sites Project Authority
<input checked="" type="checkbox"/> Robinette, JP	Sites Project Authority

<input type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input checked="" type="checkbox"/> Spesert, Kevin	Sites Project Authority
<input checked="" type="checkbox"/> Trapasso, Joe	Sites Project Authority
<input checked="" type="checkbox"/> Yarbrough, Sandra	Sites Project Authority

Consultants:

<input type="checkbox"/> <i>Name</i>	<i>Representing</i>	<input type="checkbox"/> <i>Name</i>	<i>Representing</i>
<input type="checkbox"/> Alexander, Jeriann	Fugro	<input type="checkbox"/> Davies, Justin	Brown & Caldwell
<input type="checkbox"/> Grace, Lui		<input type="checkbox"/> Forrest, Mike	AECOM
<input checked="" type="checkbox"/> Arsenijevic, Jelica	HDR	<input type="checkbox"/> Floyd, Kim	Floyd
<input type="checkbox"/> Briard, Monique	ICF	<input checked="" type="checkbox"/> Harris, Cheyanne	Brown & Caldwell
<input checked="" type="checkbox"/> Brown, Doug	Stradling	<input type="checkbox"/> Herrin, Jeff	AECOM
<input type="checkbox"/> Brown, Scott	LWA	<input checked="" type="checkbox"/> Katz, Sara	Katz & Associates
<input type="checkbox"/> Bruner, Marc	Perkins Coie		

Reservoir Committee Attendance

November 18, 2022

<input checked="" type="checkbox"/> Name	Representing	<input type="checkbox"/> Name	Representing
<input checked="" type="checkbox"/> Kivett, Marcia	Brown & Caldwell	<input type="checkbox"/> Nielsen, Caitlin	HDR
<input checked="" type="checkbox"/> Doud, Alan	Young Wooldridge	<input type="checkbox"/> Rossetto, Sarah	Katz & Associates
<input type="checkbox"/> Leaf, Robert	Ch2m	<input checked="" type="checkbox"/> Rude, Peter	Ch2m
<input checked="" type="checkbox"/> Luu, Henry	HDR	<input checked="" type="checkbox"/> Spranza, John	HDR
<input type="checkbox"/> McDonald C	CMD West	<input checked="" type="checkbox"/> Traynham, Hailey	Brown & Caldwell
<input type="checkbox"/> Micko, Steve	Ch2m	<input type="checkbox"/> Van Camp, Marc	MBK
<input checked="" type="checkbox"/> Maltby, Marcus	Brown & Caldwell	<input checked="" type="checkbox"/> Warner Herson, Laurie	Phenix
<input checked="" type="checkbox"/> Montague, Doug	MDA	<input type="checkbox"/> Westcot, Cathy	HDR

Other Attendees:

Name	Representing	Name	Representing
Juleah Cordi	Office of Assemblyman James Gallagher's	Marc Wheeler	Kiewit
Lillian Xie	Zone 7	Brian Thomas	Sites
Cindy Saks	SBVWMD	Dee Bradshaw	Metropolitan
Anthony Middleton	Kiewit	Mike Cadei	HDR
Margie Namba	Granite Construction	Mark Shafer	Granite Construction
Irvinelake	Irvine Ranch Water District	Greg Krzys	GCID
Scott Edelman	AECOM	Jonathan Guz	Stradling Law
Joy Eldredge	City of Napa	Josepha Miller	MDA
Marc Wheeler	Kiewit	Angela Bezzone	MBK