



Meeting: **Joint Reservoir Committee & Authority Board**
Agenda Item 3.3

June 16, 2023

Subject: **Project Schedule Development Findings and Recommendations for Amendment 3 Work Plan Update**

Requested Action:

Review and comment on updated Project schedule development findings and recommendations for Amendment 3 work plan update.

Detailed Description/Background:

Advancing the Sites Reservoir Project beyond the planning phase and into final design and construction (Phase 3/4) requires a better understanding of the timing and sequencing of activities through the completion of construction. Staff continues developing a detailed schedule (Program Schedule) linking activities from today through substantial completion of construction. This report provides an update on identified key activities and seeks Board input on the assumed needs of:

- Conditions precedent to execution of the Benefits and Obligations Contract - The current assumed predecessors to execution of this Contract is included in Attachment B.
- As the remainder of Amendment 3 gets adjusted to account for up to 12 months extended duration, the focus of our resources will be on completing deliverables needed to support Participant execution of Benefits and Obligations Contracts, and if funds allows, advancing critical path activities related to Project completion (i.e. early land acquisition, early CMAR procurement, further advancement of roadway design).

The Amendment 3 Work Plan will be updated during the Fall 2023 work plan check-in and budget adoption to reflect updates to expense and revenue plans, work plan goals and objectives, and an FY 2024 budget. Staff's approach to funding the extension to the work plan includes stretching existing local funds as authorized by each Participant's home board in late 2021 as well as seek opportunities to maximize state and federal contributions. Participant home board authorizations totaled \$400/AF for the Amendment 3 period which would include the \$40/AF amount deferred during the January 2023 cash call request.

Staff has prepared a draft Program Schedule summary report included as Attachment A. Initial feedback of the Program Schedule summary report provided by the Operations and Engineering Workgroup includes:

- Expanding the Program Schedule beyond the Reservoir package, the anticipated critical path project feature, to include the Maxwell-Sites

Pumping and Generating (conveyance) package, Dunnigan Pipeline package, as well as other ancillary construction packages.

- Provide a rollup of like activities, such as construction of various dams, with a summary bar for ease of review.
- Further clarify that the term “Investor Commitment” is a product of 1) revision to the JPA Agreement, 2) update to the Bylaws, and 3) an execution of Benefits and Obligations Contract.

Staff will incorporate feedback received this month into a revised Program Schedule and Program Schedule summary report which will be brought back to the Board in July for adoption. The adopted Program Schedule will support the development of a revised work plan and budget, as described above. Revised work plan and budget are anticipated to be completed in Fall 2023.

Prior Action:

February 2023: Review and comment on development of the overall project schedule through completion of construction.

Fiscal Impact/Funding Source:

The Amendment 3 Work Plan includes sufficient budget to cover required resources and activities to develop the program baseline schedule.

Staff Contact:

Marcus Maltby/JP Robinette

Primary Service Provider:

Brown and Caldwell

Attachments:

Attachment A - Draft Program Schedule Summary Report

Attachment B – Schedule Assumptions for Benefits and Obligations Contract Execution Predecessors

DRAFT Schedule Assumptions for Benefits and Obligations Contract Execution Predecessors

As of June 8, 2023

This list includes the current assumed predecessors to the execution of the Benefits and Obligations Contract (Contract) by all Participants. This list is meant to ensure Participants are provided what they expect to need in hand in order to effectuate a successful approval by their Boards of Directors to proceed with their participation in the Phase 3/4/5 of the Sites Project. Also included are subsequent activities needed for the Contract to take effect. It is expected that the Benefits and Obligations Contract will include conditions precedent to construction that are not included in this list.

Contract and Supporting Documents:

- Final Form of Benefits and Obligations Contract (for execution)
- Phase 3, 4, 5 Bylaws
- Amended Joint Exercise of Powers Agreement
- Sites Reservoir Operations Plan (Version 2)

Actions:

- CEQA Notice of Determination
- NEPA Record of Decision
- Adopt updated cost estimate and updated plan of finance forecast tables

Permits and Approvals:

- Water Right decision by SWRCB
- State Construction and Operations Incidental Take Permits
- Federal Construction Biological Opinion
- Federal Programmatic Operations Biological Opinion (Step one)
- DSOD Confirmation of Dam Design Criteria

Executed Agreements:

- Facilities Use Agreements – TC Canal System
- Facilities Use Agreements – GCID System
- Agency Agreements – Lower Colusa Basin Drain System
- Operating Agreement with DWR and Reclamation

Conditions Subsequent for the Contract to take Effect:

- B&O Contract executed by all parties
- Executed Public Benefit Agreements with CDFW and DWR
- Prop 1 Final Award by CWC and executed funding contract
- Reclamation Participation Benefits and Obligations Contract Executed
- Execution of Loan Agreements for Project Financing
- Final Biological Opinion for project level operations (Step Two)
- Final written water right permit and order by SWRCB