



Meeting: **Joint Reservoir Committee & Authority Board**
Agenda Item 3.4

August 18, 2023

Subject: **Conditions Precedent Reporting**

Requested Action:

Receive and comment on a status update of deliverables needed to support home board decision-making (i.e., conditions precedent) when considering execution of the Sites Reservoir Benefits and Obligations Contract and initiating project financing.

Detailed Description/Background:

Funding the Sites Reservoir Project (Project) beyond the planning phase and into detailed design, construction and operation (Phase 3/4/5) requires execution of a “Sites Reservoir Benefits & Obligations Contract” (Contract) which will be the successor project agreement to the “2019 Phase 2 Reservoir Project Agreement” (currently on Amendment 3). The Contract will also serve as the long-term commitment of the Sites Authority to provide the Participant with its capacity interest in the Sites Reservoir water storage system. It will represent what each Participant will need to take to its Board of Directors to secure the necessary authority committing to its capacity interest in the Project.

For Participant home boards to make the decision to execute the Contract, Staff has developed a proposed package consisting of contracts, agreements, actions, and permits and approvals, which provide additional Project information and certainty.

These deliverables and activities (Attachment A) are 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. Staff received Reservoir Committee & Authority Board feedback in June on predecessors to contract execution and that feedback has been incorporated into the table.

Staff will update this table quarterly as part of the standing Executive Director’s report.

Prior Authority Board Action:

None.

Fiscal Impact/Funding Source:

The Amendment 3 Work Plan includes sufficient budget to cover required resources and activities to develop the Sites Reservoir Benefits & Obligations Contract and the supporting deliverables.

Staff Contact:

Ali Forsythe/JP Robinette

Primary Service Provider:

None.

Attachments:

Attachment A: Activities to be Completed Before the Execution of the Benefits and Obligations Contract, Status Update

Attachment A
Activities to be Completed Prior to the Execution of the Benefits and Obligations Contract
Status Update as of August 9, 2023

Activity / Agreement	Target Completion	Status	Notes / Critical Issues
Contract and Supporting Documents:			
• Benefits and Obligations Contract ready to execute	Jun 24	On Track	
• Phase 3, 4, 5 Bylaws	same as B&O	On Track	
• Amended Joint Exercise of Powers Agreement	same as B&O	On Track	
• Sites Reservoir Operations Plan (Version 2)	Jun 24	On Track	
Actions:			
• CEQA Notice of Determination	Oct 23	On Track	
• NEPA Record of Decision	Apr 24	On Track	
• Updated Cost Estimate and Updated Plan of Finance Forecast Tables	Jul 24	On Track	
Permits and Approvals:			
• Water Right decision by SWRCB	Jan 25	On Track	
• State Construction and Operations Incidental Take Permits	Dec 23 May 24	On Track	
• Federal Construction Biological Opinion	Apr 24	On Track	
• Federal Programmatic Operations Biological Opinion (Step one)	Apr 24	On Track	
• DSOD Confirmation of Dam Design Criteria	Jun 24	On Track	
• County Developer Agreements	Jun 24	On Track	
Executed Agreements:			
• Facilities Use Agreements – TC Canal System	Jun 24	On Track	
• Facilities Use Agreements – GCID System	Jun 24	On Track	
• Agency Agreements – Lower Colusa Basin Drain System	Jun 24	On Track	
• Operating Agreement with DWR and Reclamation	Apr 24	On Track	
Conditions Subsequent for the Contract to take Effect:			
• B&O Contract executed by all parties	Jun 25	On Track	
• Executed Public Benefit Agreements with CDFW and DWR	Dec 23	On Track	
• Prop 1 Final Award by CWC and executed funding contract	Jul 25	On Track	
• Reclamation Partnership Agreement executed	Jun 25	On Track	
• Execution of Loan Agreements for Project Financing	Feb 25	On Track	
• Final Biological Opinion for project level operations (Step Two)	Apr 25	On Track	
• Final written water right permit and order by SWRCB	Jan 25	On Track	