



Meeting: **Sites Reservoir Committee & Authority Board** **December 15, 2023**
9:00 a.m. – 12:00 p.m.

Authority Board Chair: Fritz Durst (Reclamation District 108)
Authority Board Vice Chair: Jeff Sutton (Tehama-Colusa Canal Authority)
Reservoir Committee Chair: Valerie Pryor (Zone 7 Water Agency)
Reservoir Committee Vice-Chair: Mike Azevedo (Colusa County)
Treasurer: Jamie Traynham (Davis Water District)

MINUTES

CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Chair Durst called the Authority Board (AB) and Reservoir Committee (RC) Meeting to order at the hour of 9:04 a.m., followed by Roll Call and the Pledge of Allegiance.

ROLL CALL/ATTENDANCE:

Roll call of the Authority Board equaled 5 members in attendance, which resulted in a quorum.

Roll call of the Reservoir Committee equaled 16 representatives, 73.64% in attendance, which resulted in a quorum.

INTRODUCTIONS:

The Sites staff, consultants and members of the public introduced themselves.

AGENDA APPROVAL:

ACTION RC: Moved by Mr. Azevedo, seconded by Ms. Traynham, to approve the December 15, 2023, meeting agenda. **Motion carried unanimously.**

ACTION AB: Moved by Director Evans, seconded by Director Sutton, to approve the December 15, 2023, meeting agenda. **Motion Carried: All Directors present voted yes.**

ANNOUNCEMENT OF CLOSED SESSION:

General Counsel (GC) Doud announced the Authority Board of Directors, and the Reservoir Committee Members would consider Closed Session matters 5.1 through 5.3.

PERIOD FOR PUBLIC COMMENT:

Chair Durst called for a period of public comment. Hearing none, he closed the period for public comment.

1. CONSENT AGENDA:

Chair Pryor and Chair Durst made time to consider consent agenda items 1.1 through 1.5 as follows:

- 1.1 Reservoir Committee and Authority Board consider approval of November 17, 2023, Reservoir Committee and Authority Board Meeting Minutes.
- 1.2 Reservoir Committee and Authority Board consider acceptance of the Sites Project Authority Treasurer's Report.
- 1.3 Reservoir Committee and Authority Board consider approval of the Sites Project Authority Payment of Claims.
- 1.4 Reservoir Committee and Authority Board approval of a contract with Water Resources Economics for the performance period ending December 31, 2025, to provide Wheeling Rate Development services with an initial total authority of \$50,000 through mid-2024 and authority for the Executive Director to increase the contract to a total amount of up to \$150,000.
- 1.5 Reservoir Committee and Authority Board consider approval of the following task order amendments resulting in a change to the 2023 budget:
 1. Budget transfer of \$100,000 from the Real Estate Subject Area to the Program Operations Subject Area.
 2. Budget Transfer a total of \$650,000 to the Planning Subject Area from Engineering Contingency.
 3. Increase Perkins Coie LLP CEQA/NEPA Legal Services Contract by \$650,000 for a new FY23 total authorization of \$1,622,321 and increasing the total contract authority for Amendment 3 to \$2,511,516.

GC Doud provided clarification to Director Sutton regarding an inquiry on conflict of interest.

ACTION RC: It was moved by Ms. Traynham, seconded by Mr. Azevedo to approve Consent Agenda items 1.1 through 1.5. **Motion carried unanimously.**

ACTION AB: It was moved by Director Evans, seconded by Director Sutton to approve Consent Agenda items 1.1 through 1.5. **Motion carried: All Directors present voted yes.**

9:28 a.m. Mr. Taylor, Rosedale-Rio Bravo, arrived virtually.

2. ACTION ITEMS:**2.1 Reservoir Committee and Authority Board consider approval of:**

1. Revised Fiscal Year 2024 Expense Budget.
2. Adjust the total consultant contract authority for specified consultant contracts to cover Fiscal Year 2024 and 2025 work scope items.

Executive Director (ED) Brown introduced this agenda item, highlighting that the Board approved the 2024 budget at the meeting on October 20, 2023. He indicated that it was communicated at the October meeting that task orders for consultants, aligning with the approved budget, would be presented at the December Board meeting. Today, the details will be reviewed, and any questions will be addressed.

Mr. Maltby presented a recap, referencing five items presented and approved by the Board at the October meeting, including the program baseline schedule, Amendment 3 work plan, a one-year extension to Amendment 3 period to include 2025, the 2024 cash call and the 2024 annual budget. He emphasized that these approvals set the stage for identified next steps, which are the primary focus of today's presentation. The next steps included collaboration with consultants for contracting purposes aligned with the defined work in the Amendment 3 work plan and establishing a new Contract Authority for the ED.

Mr. Maltby conducted a thorough review of the October approved budget, presenting a side-by-side comparison with the revised budget breakdown. He noted slight budget reallocations that were identified during negotiations. He emphasized that only the 2024 budget received approval, both the 2024 and 2025 budgets are provided to represent the two-year picture of the work plan.

He underscored key takeaways from the data provided. The two-year budget plan provided in October outlined \$77 million in total expenses over the two-year period of 2024 and 2025. Following collaboration with the consultants to build out a detailed scope and budget, adjustments led to a revised budget of \$77.4 million, reflecting a slight increase in the two-year total. The next point concerns the transfer of engineering items from 2024 to 2025, with a corresponding shift in permitting from 2025 to 2024, leading to a minor adjustment in the overall bottom line. Mr. Maltby projected an insignificant impact on cash flow due to the minor change, suggesting a potential slight improvement as it indicates a slight lag in expenses compared to what was initially presented in October.

The final highlighted takeaway was a summary on the shift of funds by subject area. Also, Mr. Maltby clarified that all the budget values shown for this presentation are rounded numbers for ease of viewing the information. He reiterated the 2024 approved budget and its revised amount.

The presentation transitioned to reviewing requested changes to the Contract Authority, with a table outlining identified revisions. He explained that these updates align with the revised work plan, addressing necessary tasks to be contracted with consultants.

Mr. Maltby revisited the work planning that occurred in late 2021, emphasizing a three-year plan with an approved not-to-exceed Contract Authority for the ED. The revised work plan presented to the Board on October 20, 2023, included scope and budget adjustments, added a fourth year, and expanded total expenses from a three-year approximately \$120 million work plan to a four-year approximately \$140 million work plan. These revisions require an update to the Contract Authority for the ED to execute these new contracts.

He highlighted that the consultants, scopes, and budgets underwent review by the respective agents. It was noted that there were consultants that did not necessitate an increase to their not-to-exceed contract authority, and consequently, they are not included in the provided table. Additionally, it was noted that an error in the Contract Authority for one consultant, Somach Simmons & Dunn, was identified in the board materials distributed before this meeting.

Mr. Maltby conducted a detailed review of the proposed revisions to the Contract Authority. The table provided featured a comprehensive side-by-side comparison, incorporating columns that displayed the existing three-year totals, the proposed four-year totals, and a column indicating the difference between the two. The visual aid displayed two lines for the consultant, Somach Simmons & Dunn, with one line crossed out and the line below serving as a replacement showing an increase in their four-year contract authority to \$2,687,354.

Mr. Maltby indicated it is crucial to note that all other proposed Contract Authority values provided in the Board materials were correct, and that this error solely impacts the mentioned table, as it was accurately captured in the budget, cash flow planning, and elsewhere outside of this specific table. The proposed Contract Authority revisions presented to the Board for approval today include the highlighted revision to Somach Simmons & Dunn.

ED Brown provided comment that this aligns with the direction the Board has expressed and provides the necessary resources to support that effort.

ACTION RC: It was moved by Mr. Vanderwaal, seconded by Ms. Traynham, to recommend approval of agenda item 2.1 to the Authority Board. **Motion carried unanimously.**

ACTION AB: It was moved by Director Sutton, seconded by Director Evans to approve agenda item 2.1. **Motion carried: All Directors present voted yes.**

- 2.2 Reservoir Committee and Authority Board consider authorization of a monthly compensation adjustment and extending the term of the contracts to December 31, 2025, for the consulting contracts with the Executive Director and Authority Agents.

ED Brown conveyed this item pertains to the annual review of the contracts for the Executive Director and the agents. Following a performance review by the Board, a recommendation emerged to implement a 4% inflation adjustment to the monthly compensations for both the Executive Director and the agents. Additionally, the contracts require an extension to align with the approved budget for the Amendment 3 work plan. No other changes are proposed in the contracts and approval is sought for these updates.

ACTION RC: It was moved by Ms. Traynham, seconded by Mr. Vanderwaal, to recommend approval of agenda item 2.2 to the Authority Board. **Motion carried unanimously.**

ACTION AB: It was moved by Director Evans, seconded by Director Sutton to approve agenda item 2.2. **Motion carried: All Directors present voted yes.**

3. DISCUSSION AND INFORMATION ITEMS:

- 3.1 Receive an annual overview of various laws concerning conflicts of interest applicable to public officials.

ED Brown prefaced the review by GC Doud, emphasizing that as the project advances it brings larger financial implications, and as a result potential conflicts become more significant. This overview is aimed to raise awareness of requirements and provides an opportunity to discuss these matters.

GC Doud highlighted principal laws governing conflicts that all should be mindful of; the Political Reform Act, Government Code §1090 and §1099. He emphasized that it is critical that public officials be vigilant in evaluating their financial interest in matters relating to the Sites Project. The Authority adheres to a Conflict of Interest Code and requires regular submission of Statement of Economic Interests (Form 700), and all should expect a request to update Form 700 January 2024. Guidance was provided in managing conflicts of interest including immediate identification and notification to the Authority if a situation arises.

Following an inquiry by Director Sutton, GC Doud provided clarity on joint power authorities. Chair Durst alerted Board members to a potential scenario, stressing the importance of being prepared to address these type issues. GC Doud concurred.

Following no further questions, Chair Durst concluded expressing gratitude for the conflict of interest review. Emphasizing its importance, he noted that maintaining awareness and maintenance of Form 700 is crucial.

4. REPORTS:**4.1 Chairs' Reports:**

Chair Pryor reported on the Association of California Water Agencies (ACWA) 2023 Fall Conference held at the end of November. The Sites team proactively engaged with all the participants to schedule one on one meetings, and successfully held a session with a Director from Zone 7. Feedback received indicated that the meeting was not only highly informative but also very well received.

Chair Durst supported Chair Pryor's report on the ACWA Fall Conference, expressing that it was a highly beneficial event. He attended multiple presentations and appreciated the valuable opportunities to engage with participants attending the event.

4.1 Committee & Workgroup Chairs' Reports:

Director Sutton indicated that the Legislative and Outreach Committee, in early 2024, will be establishing the committee's priorities for the year.

4.3 Authority Board & Reservoir Committee Participant Reports:

Mr. Vanderwaal imparted that the Operations and Engineering Workgroup Committee has established ad hoc sub-workgroups to review and provide input on forthcoming procurements for Construction Legal Services and the CMAR.

4.4 Executive Director's Reports:

Executive Director Brown spoke to the following:

ED Brown emphasized the positive feedback and enthusiasm for the project that was received at ACWA, and acknowledgement for the substantial progress that has been achieved. The water community strongly supports and encourages continued urgent action, recognizes the necessity of preparing for future challenges despite the favorable conditions in the previous wet year. The project is viewed as a crucial preparation measure for anticipated future events.

ED shared that within the 30-day period mandated by the SB 149 legislation, the Joint Legislative Budget Committee concurred with the Governor's certification. The Committee's chair sent a letter to the Governor expressing agreement, signaling the completion of the process. This unanimous support from the legislature demonstrates strong endorsement for streamlining the project and emphasizes the urgency to move forward promptly.

The Board had previously requested periodic updates on received Public Records Act requests. ED Brown noted the availability of a printed list displaying the four requests received in 2023 and indicated that a total of seven requests were received in 2022.

ED Brown highlighted the increasing waiting list for water supply participation, with 14 agencies totaling 57,000-acre feet of supply, equating to 350,000-acre feet of storage space. Reclamation, requesting 16%, is currently at 9% and not included in the mentioned 14. He noted the current lack of available space for those on the waiting list and expressed the ongoing consideration of integrating these agencies by exploring operations for optimal opportunities, potentially uncovering roles, or partnerships. The high demand underscores the need for new water supply, emphasizing the significance of the Sites project and indicating substantial interest from agencies beyond those currently participating.

Chair Durst declared a recess at 9:50 a.m. and convened into Closed Session.

5. CLOSED SESSION:

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

5.2 Conference with Real Property Negotiators (Gov. Code § 54956.8)

Property: [Colusa County] APNs 011-130-004-000, 011-130-011-000, 011-150-017-000, 011-150-018-000, 011-150-020-000

Agency negotiators: Jerry Brown, Kevin Spesert

Negotiating parties: Shirley Jensen

Under negotiation: Price and terms of payment

5.3 Conference with legal counsel regarding significant exposure to litigation (Gov. Code §§54956.9(d)(2)) 2 Items.

Chair Durst adjourned Closed Session at 11:32 a.m. and reconvened into Open Session.

6. REPORT FROM CLOSED SESSION:

GC Doud stated the following two reportable actions taken on Closed Session matters. The first is that on the recommendation of the Reservoir Committee and the authorization of the Authority Board, the Executive Director enter into an operations agreement with Contra Costa Water District to resolve a potential dispute regarding project operations. The second item is that on the recommendation of the Reservoir Committee and the authorization of the Authority Board, the Executive Director was directed to finalize an agreement with Yolo County to resolve the potential dispute regarding the project Final EIR.

7. RECAP:

7.1 Suggested Future Agenda Items.

No suggested future agenda items provided.

7.2 Upcoming Meetings:

Reservoir Committee & Authority Board

Friday, January 19, 2024 (9:00 a.m. – 12:00 p.m.)

Maxwell Project Office & Virtual

Chair Durst adjourned the Reservoir Committee and Authority Board Meeting at the hour of 11:34 a.m.



Fritz Durst, Authority Board Chair



Valerie Pryor, Reservoir Committee Chair


Terri Boland, Board Clerk

Current Voting Committee Participants (22):

	%	Participant		%	Participant
<input checked="" type="checkbox"/>	3.47	American Canyon, City	<input type="checkbox"/>	2.57	LaGrande WD
<input type="checkbox"/>	2.42	Antelope Valley-East Kern WA	<input checked="" type="checkbox"/>	17.29	Metropolitan WD
<input checked="" type="checkbox"/>	5.28	Coachella Valley WD	<input checked="" type="checkbox"/>	3.47	Reclamation District 108
<input checked="" type="checkbox"/>	5.28	Colusa County	<input type="checkbox"/>	2.42	Rosedale-Rio Bravo WSD
<input checked="" type="checkbox"/>	5.05	Colusa County WD	<input type="checkbox"/>	8.70	San Bernardino Valley MWD
<input checked="" type="checkbox"/>	2.41	Cortina WD (1)	<input type="checkbox"/>	6.48	San Geronio Pass WA
<input checked="" type="checkbox"/>	2.87	Davis WD	<input checked="" type="checkbox"/>	2.42	Santa Clara Valley WD
<input checked="" type="checkbox"/>	4.22	Desert WA	<input checked="" type="checkbox"/>	3.77	Santa Clarita Valley WA
<input checked="" type="checkbox"/>	3.17	Dunnigan WD	<input checked="" type="checkbox"/>	3.89	Westside WD
<input type="checkbox"/>	3.77	Glenn-Colusa ID	<input checked="" type="checkbox"/>	3.19	Wheeler Ridge-Maricopa WSD
<input checked="" type="checkbox"/>	2.57	Irvine Ranch WD	<input checked="" type="checkbox"/>	5.28	Zone 7 WA
				100.00	Total

16 Voting members represented at the start of the meeting-☒

73.64% Represented participation percentage.

Representation has been delegated as follows:

(1) Proxy to Jamie Traynham, Davis WD

(+) Not present after _____

Meeting Attendance**December 15, 2023****Agenda Item 1.1, Attachment B****9:00 AM-Noon**

Current Voting Authority Board (9)		Primary		Alternate
Colusa County	<input checked="" type="checkbox"/>	Gary Evans	<input checked="" type="checkbox"/>	Mike Azevedo
Colusa County Water District	<input type="checkbox"/>	Joe Marsh	<input type="checkbox"/> <input checked="" type="checkbox"/>	Hal Charter Shelly Murphy
Glenn County	<input type="checkbox"/>	Thomas Arnold	<input type="checkbox"/>	Jim Yoder
Glenn-Colusa Irrigation District	<input type="checkbox"/>	Logan Dennis	<input type="checkbox"/>	John Amaro
Reclamation District 108	<input checked="" type="checkbox"/>	Fritz Durst	<input type="checkbox"/> <input type="checkbox"/>	Sean Doherty Hilary Reinhard
Placer County Water Agency	<input type="checkbox"/>	Gray Allen	<input type="checkbox"/>	Joshua Alpine
Tehama-Colusa Canal Authority	<input checked="" type="checkbox"/>	Jeff Sutton	<input type="checkbox"/>	Halbert Charter
Sacramento County	<input type="checkbox"/>	Kerry Schmitz	<input type="checkbox"/>	Mike Peterson
Westside Water District	<input type="checkbox"/>	Doug Parker	<input type="checkbox"/> <input checked="" type="checkbox"/>	Zach Dennis Dan Ruiz

Associate Members (non-voting)		Primary		Alternate
Western Canal Water District	<input type="checkbox"/>	Greg Johnson	<input type="checkbox"/>	Ted Trimble

Non-Voting Committee Participants (2)		Primary		Alternate/Other
Department of Water Resources	<input checked="" type="checkbox"/>	Rob Cooke	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	Jagruti Maroney Itzia Rivera
Bureau of Reclamation	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	Adam Nickels Allison Jacobson	<input type="checkbox"/> <input checked="" type="checkbox"/>	Don Bader Natalie Taylor

Current Voting Reservoir Committee (22)		Primary		Alternate
American Canyon, City	<input checked="" type="checkbox"/>	Jason Holley	<input type="checkbox"/>	
Antelope Valley-East Kern WA	<input type="checkbox"/>	Matt Knudson	<input type="checkbox"/>	Dan Flory
Coachella Valley Water District	<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 checked="" type="checkbox"/>	Shelly Murphy
Cortina Water District	<input type="checkbox"/>	Jim Peterson	<input type="checkbox"/> <input checked="" type="checkbox"/>	Chuck Grimmer Jamie Traynham
Davis Water District	<input checked="" type="checkbox"/>	Jamie Traynham	<input type="checkbox"/>	Tom Charter

Meeting Attendance

December 15, 2023

Agenda Item 1.1, Attachment B

9:00 AM-Noon

Desert Water Agency	<input checked="" type="checkbox"/>	Mark Krause	<input type="checkbox"/>	Steve Johnson
Dunnigan Water District	<input checked="" type="checkbox"/>	Bill Vanderwaal	<input type="checkbox"/>	
Glenn-Colusa Irrigation District	<input type="checkbox"/>		<input type="checkbox"/>	Greg Krzys
Irvine Ranch Water District	<input checked="" type="checkbox"/>	Paul Weghorst	<input checked="" type="checkbox"/>	Kellie Welch
LaGrande Water District	<input type="checkbox"/>	Zach Dennis	<input type="checkbox"/>	
Metropolitan Water District	<input checked="" type="checkbox"/>	Randall Neudeck	<input type="checkbox"/> <input checked="" type="checkbox"/>	Nina Hawk Sam Smalls
RD 108	<input checked="" type="checkbox"/>	Bill Vanderwaal	<input type="checkbox"/>	Lewis Bair
Rosedale-Rio Bravo Water District	<input checked="" type="checkbox"/>	Trent Taylor	<input type="checkbox"/>	Dan Bartel
San Bernardino Valley Water District	<input type="checkbox"/>	Bob Tincher	<input type="checkbox"/>	Heather Dyer
San Geronio Pass Water Agency	<input type="checkbox"/>	Lance Eckhart	<input type="checkbox"/> <input type="checkbox"/>	Thomas Todd Emmett Campbell
Santa Clara Valley Water District	<input type="checkbox"/>	Cindy Kao	<input checked="" type="checkbox"/>	Katherine Maher
Santa Clarita Valley Water Agency	<input type="checkbox"/>	Steve Cole	<input checked="" type="checkbox"/>	Ali Elhassan
Westside Water District	<input checked="" type="checkbox"/>	Allen Myers	<input checked="" type="checkbox"/>	Dan Ruiz
Wheeler Ridge-Maricopa Water Storage District	<input checked="" type="checkbox"/>	Rob Kunde	<input type="checkbox"/>	Sheridan Nicholas
Zone 7 Water Agency	<input checked="" type="checkbox"/>	Valerie Pryor	<input checked="" type="checkbox"/>	Lillian Xie

Authority, Non-Signatory (6)		Primary		Alternate
PCWA	<input checked="" type="checkbox"/>	Ed Horton	<input type="checkbox"/>	Ben Barker
Roseville	<input checked="" type="checkbox"/> <input type="checkbox"/>	George Hanson Scott Alvord	<input type="checkbox"/> <input type="checkbox"/>	Sean Bigley Trevor Joseph
City of Sacramento	<input type="checkbox"/>	TBD	<input type="checkbox"/> <input type="checkbox"/>	Brett Ewart Anne Sanger

Sites Project Authority:

<input checked="" type="checkbox"/>	Jerry Brown	<input checked="" type="checkbox"/>	Ali Forsythe	<input checked="" type="checkbox"/>	Kevin Spesert
<input checked="" type="checkbox"/>	JP Robinette	<input checked="" type="checkbox"/>	Joe Trapasso	<input checked="" type="checkbox"/>	Marcia Kivett
<input checked="" type="checkbox"/>	Alan Doud	<input checked="" type="checkbox"/>	Terri Boland		

Members of the Public

<i>Name</i>	<i>Representing</i>	<i>Name</i>	<i>Representing</i>
Stanley Robert	CDFW	Erin Huang	Jacobs
Brian Thomas	Sites Project	Mike Smith	AECOM
Jordan Gobel	Dewberry	Pete Rude	Jacobs
Juleah Cordi	Office of Assembly Member James Gallagher	Cindy Saks	San Bernardino Valley MWD
Sarah Katz	Katz & Associates	Scott Brown	LWA
Cheyenne Harris	Brown & Caldwell	Loan Iqbal	Lane Construct
Henry Luu	HDR	Conner McDonald	CMD West
John Spranza	HDR	Caitlin Nielsen	HDR
Laurie Warner Herson	Phenix	Michelle Henry	ICF
Mark Shafer	GCINC	Tim Hodson	Will Scot
Jessica Sikora	Bureau	Anthony Middleton	Kiewit
David Sandino	DWR	Mark Gilbert	Engeo
David Tate	DWA	Steve Geiger	Colusa County
Paula Treat		Elizabeth Foss	Zone 7
Marcus Maltby	Brown & Caldwell	Quang Tran	South Land Holdings
Summer Shadley	Maxwell School District	916-701-3226	
Rubina Chaudhary	Marrs Corp	Christopher Arnold	Acciona
Christy Scofield		Jesse Johnson	Local 3 Operating Engineers
Jeff Nelson	Parsons	Shane Cobral	Goodfellows Bros.
Wendy Tyler	Colusa County		