



Reservoir Committee & Authority Board

July 19, 2024

Authority Board Chair: Fritz Durst (Reclamation District 108)
Authority Board Vice-Chair: Jeff Sutton (Glenn-Colusa Irrigation District)
Reservoir Committee Chair: Mike Azevedo (Colusa County)
Reservoir Committee Vice-Chair: Robert Kunde (Wheeler Ridge-Maricopa Water SD)
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 9:02 a.m., followed by a Roll Call and the Pledge of Allegiance.

ROLL CALL/ATTENDANCE:

Authority Board: 8 members in attendance, resulting in a quorum.

Reservoir Committee: 20 representatives (93.68%) in attendance, resulting in a quorum.

INTRODUCTIONS:

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

AGENDA APPROVAL:

ACTION RC: Moved by Ms. Traynham, second by Mr. Plinski, to approve the July 19, 2024, meeting agenda. **Motion carried unanimously.**

ACTION AB: Moved by Director Sutton, seconded by Director Allen, to approve the July 19, 2024, meeting agenda. **Motion Carried: All Directors present voted yes.**

ANNOUNCEMENT OF CLOSED SESSION:

General Counsel (GC) Doud announced that the Authority Board of Directors and the Reservoir Committee Members would consider matters 5.1, 5.2 and 5.3 in closed session.

PERIOD FOR PUBLIC COMMENT:

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

1. **Consent Agenda:**

- 1.1 Reservoir Committee and Authority Board consider approval of April 19, 2024, 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 Concur with minor adjustments to previously approved agreement with the National Marine Fisheries Service to reimburse dedicated staff support to prepare and implement Biological Opinion permitting. These adjustments include extending the end date one year to September 30, 2029, and a minor increase to the total cost reimbursement amount from \$1,388,277 to \$1,389,783.
- 1.5 Reservoir Committee and Authority Board authorize proposed revisions to the Accounts Payable and Approval Policy related to check signatures and policy review frequency.

ACTION RC: Ms. Pryor moved, seconded by Vice-Chair Kunde, to approve Consent Agenda Items 1.1 through 1.5 for the Authority Board’s consideration. The **motion carried unanimously.**

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

2. **Action Items:**

- 2.1 Reservoir Committee and Authority Board considers approval of the new Asset Management Policy.

Executive Director Brown gave an overview of the new policy. The policy was created so that it can be modified as necessary when the project moves through different phases. The policy was reviewed by the Budget & Finance (B&F) Committee, and suggestions have been incorporated.

Chair Durst stated that it is recommended that a committee be created to review the details of any adjustment to the existing policy.

ACTION RC: Vice-Chair Kunde moved, Ms. Traynham seconded, to approve item 2.1. **The motion carried unanimously.**

ACTION AB: Director Sutton moved, and Director Jones seconded, to approve action item 2.1. The motion carried. **All Directors present voted yes.**

3. Discussion and Information Items:

- 3.1 Receive an update on the to be developed Partnership Agreement representing federal participation in the Sites Project with the Bureau of Reclamation (Reclamation) and the Operations Agreement being developed to ensure coordination of Sites Project operations with Department of Water Resources (DWR) State Water Project and Reclamation Central Valley Project operations.

ED Brown introduced Mr. Nickels, Principle Deputy Regional Director with the Regional Office of Reclamation, and asked Ms. Bezzone to present.

Ms. Bezzone presented two agreements. The Operations Agreement with Sites Project Authority, DWR and Reclamation. The Agreement intends to describe the day-to-day coordination and communication and include protocols and procedures to ensure the Authority complies with the proposed water right permit term. The second agreement is a Partnership Agreement with the Authority and Reclamation. The Partnership Agreement would be analogous to the Benefits and Obligations (B&O) Contract and is intended to be structured similarly to the B&O Contract.

Mr. Nickels stated Reclamation is a committed partner in this project. Once Reclamation completes the Record of Decision (ROD), additional funds already appropriated for the Project will be available. Reclamation remains interested in a 16% investment and under the WIIN Act and would be able to go as high as 25%. The ROD and section 106 responsibilities are currently in process.

Mr. Nickels continued that Reclamation is looking at operational flexibility, and with a 16% investment, Reclamation may have extra water in the reservoir which might allow them to market potential water supply to interested parties. It will not be a Central Valley Project contract; however, Reclamation would be interested in partnering with agencies on a water service contract for Sites Project water, subject to the rules and conditions that Reclamation has in executing a contract.

Mr. Nickels said that Reclamation could provide the upfront funding source, up to 25% of the Project, and agencies Reclamation partners with would start paying after construction. Mr. Nickels answered a question regarding contract terms with

a 40-year repayment of the initial capital and renewed contracts on a 40-year basis.

Chair Durst thanked the Reclamation team.

- 3.2 Review and comment on the process and timeline for procuring the first Construction Manager at Risk (CMAR) for the Sites Project. The first CMAR selected for Sites is planned to cover the reservoir and roads elements of the Project.

Mr. Robinette reviewed the history of the Authority's Contract Strategy, the CMAR primary attributes, being qualifications-based and the Contracting Strategy is still in alignment with the Authority core competencies and future Authority Organization.

Mr. Robinette highlighted that the local benefits are critical. Having the contractor involved early and specifying commitments in the contract will go a long way to successful outcomes. Also, Staff has made significant progress on the B&O contract that aligns with the CMAR approach. Mr. Robinette continued with the goal of issuing the Request for Qualifications (RFQ) of the Reservoir package before the end of 2024 and the steps involved with this goal. He encouraged the Board to review the RFQ checklist in the staff report.

Chair Durst asked who from the Reservoir Committee is involved with the CMAR process.

Mr. Robinette replied with the Operations and Engineering Workgroup on the development and process of the RFQ and brought back the Contract Strategy Sub-Workgroup, developed in 2022, and the Budget & Finance Committee.

Ms. Kaplan asked why the Authority does not have funding for the 60% design but does have funding for the CMAR contract.

Mr. Robinette explained with the Water Right slipping out and the CEQA lawsuit, the Authority has pulled out activities of the 60% design effort. The CMAR will be on board at the end of the workplan and their scope will be very focused on reviewing the 30% design package.

- 3.3 Receive an update on the Glenn Colusa Irrigation District and Tehama-Colusa Canal Authority Facilities Use Agreements development framework, Lower Colusa Basin Drain System Agency Agreements Term Sheets and County Developer Agreements.

Mr. Robinette introduced Mr. Gaur, Water Resources Economics, who has been working with our partners and their goal was to develop a Wheeling framework.

Mr. Gaur gave a status update on the Wheeling Rate study. Wheeling is when a water agency uses another water agency's transmission system to transport water and rates for the partner agencies to recover their cost. For the Sites project, it is GCID and TCCA. Mr. Gaur continued with the study's objectives, methodology, progress to date and the next steps.

Chair Durst mentioned a meeting with Dunnigan regarding the Colusa Basin Drain and the need to keep the adjacent landowners apprised of the agreement.

3.4 Receive and comment on updated conditions precedent's quarterly status report.

ED Brown reminded the Board that the conditions precedent are the agreements, permits and approvals required for the home board approvals for investor commitment to sign the B&O contract. This list comprises 34 items Participants, including State and Federal partners, currently identify they require prior to approval. Staff are working on prioritizing these items, with the understanding that items can be added or removed as progress is made. ED Brown concluded that this report is now coordinated with the project schedule and to let Staff know if there are any necessary changes.

4. Reports:

4.1 Chairpersons' Reports:

Chair Azevedo attended the local landowner meeting, which was well attended and with good engagement. Some individuals expressed frustration with the project's perceived inability to plan properly and the project's slip in the schedule.

Chair Durst attended the local landowner meeting in Dunnigan and mentioned the potential flexibility of early land acquisition.

4.2 Committee & Workgroup Chairpersons' Reports:

Vice-Chair Kunde gave a detailed review of the Operations and Engineering Workgroup meeting on July 10, 2024, which included an update on CMAR, power load and generation and coordination of the Division of Safety of Dams, Value Engineering and the Golden Gate Dam. The workgroup is focused on a recommendation on how to prioritize delivery.

Director Evans announced a Maxwell Community Plan meeting on Wednesday, July 24, 2024. Chair Azevedo mentioned that Sites will sponsor a meeting specific to the local community.

4.3 Additional Participant Reports:

None.

4.4 Executive Director's Reports:

Executive Director Brown spoke to the following:

- An appeal was filed for the California Environmental Quality Act Litigation and the opening brief was submitted.
- This month's schedule update incorporates the Water Right schedule.
- Staff looked at the recent monthly payment of claims to answer last month's questions regarding the minimum maintenance efforts of funding for 6 months in 2026, estimated at \$8M (4.4B Action items).
- Update on the Water Right process. Sites' and protestants' testimony was submitted on July 15, 2024. The next milestone is August 19, 2024, when policy statements will occur. Submittals must be by August 12, 2024. We encourage everyone to make a statement.

Chair Durst declared a recess at 10:50 a.m. and convened into Closed Session.

5. **Closed Session:**

5.1 Conference with legal counsel regarding existing litigation (Gov. Code §§54956.9(d)).

Friends of the River, et al. v. Sites Project Authority, et al., Yolo County Superior Court, Case No. CV2023-2626, including appeal filed June 14, 2024.

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

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

Property: Arnold [Colusa County] APN 011-150-010

Agency Negotiators: Jerry Brown, Kevin Spesert

Negotiating Parties: Cody Arnold

Under Negotiation: Price and terms of payment

Chair Durst adjourned Closed Session at 11:18 a.m. and reconvened into Open Session.

6. **REPORT FROM CLOSED SESSION:**

GC Doud stated that no reportable action was taken on Closed Session matters.

7. RECAP:

7.1 Suggested Future Agenda Items.

7.2 Upcoming Meetings:

Reservoir Committee & Authority Board
Friday, August 16, 2024 (9:00 am to noon)

Chair Durst adjourned the Joint Reservoir Committee and Authority Board Meeting at 11:25 p.m.



Fritz Durst, Authority Board Chair



Mike Azevedo, Reservoir Committee Chair



Marcia Kivett, 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 checked="" type="checkbox"/>	2.42	Rosedale-Rio Bravo WSD
<input checked="" type="checkbox"/>	5.05	Colusa County WD	<input checked="" type="checkbox"/>	8.70	San Bernardino Valley MWD
<input checked="" type="checkbox"/>	2.41	Cortina WD (1)	<input checked="" 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 checked="" 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

20 Voting members represented at the start of the meeting-

93.68% Represented participation percentage.

Representation has been delegated as follows:

(1) Proxy to Jamie Traynham, Davis WD

(‡) Not present after _____

Current Voting Authority Board (9)		Primary		Alternate
Colusa County	<input checked="" type="checkbox"/>	Gary Evans	<input type="checkbox"/>	Mike Azevedo
Colusa County Water District	<input type="checkbox"/>	Joe Marsh	<input type="checkbox"/> <input type="checkbox"/>	Hal Charter Shelly Murphy
Glenn County	<input checked="" type="checkbox"/>	Thomas Arnold	<input type="checkbox"/>	Jim Yoder
Glenn-Colusa Irrigation District	<input checked="" type="checkbox"/>	Jeff Sutton	<input type="checkbox"/>	Logan Dennis
Reclamation District 108	<input checked="" type="checkbox"/>	Fritz Durst	<input type="checkbox"/> <input type="checkbox"/>	Sean Doherty Hilary Reinhard
Placer County Water Agency	<input checked="" type="checkbox"/>	Gray Allen	<input type="checkbox"/>	Scott Alvord
Tehama-Colusa Canal Authority	<input checked="" type="checkbox"/>	Jim Jones	<input type="checkbox"/>	Halbert Charter
City of Sacramento	<input checked="" type="checkbox"/>	Lisa Kaplan	<input type="checkbox"/> <input type="checkbox"/>	Anne Sangar Brett Ewart
Westside Water District	<input checked="" type="checkbox"/>	Doug Parker	<input type="checkbox"/>	Zach Dennis

Associate Members (non-voting)		Primary		Alternate
Western Canal Water District	<input type="checkbox"/>	Greg Johnson	<input checked="" type="checkbox"/>	Ted Trimble
Zone 3	<input checked="" type="checkbox"/>	Mike Urkov	<input checked="" type="checkbox"/>	Wendy Tyler

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

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"/>	
Coachella Valley Water District	<input checked="" type="checkbox"/>	Robert Cheng	<input checked="" type="checkbox"/>	Petya Vasileva
Colusa County	<input checked="" type="checkbox"/>	Mike Azevedo	<input 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"/> <input checked="" type="checkbox"/>	Chuck Grimmer Jamie Traynham
Davis Water District	<input checked="" type="checkbox"/>	Jamie Traynham	<input type="checkbox"/>	Tom Charter

Meeting Attendance

July 19, 2024

Agenda Item 1.1, Attachment B

9:00 AM- NOON

Desert Water Agency	<input checked="" type="checkbox"/>	Steve Johnson	<input type="checkbox"/> <input type="checkbox"/>	David Tate Esther Saenz
Dunnigan Water District	<input type="checkbox"/>	TBD	<input type="checkbox"/>	
RD 108	<input checked="" type="checkbox"/>	Jordan Navarrot	<input type="checkbox"/>	Lewis Bair
Glenn-Colusa Irrigation District	<input checked="" type="checkbox"/>	Greg Krzys	<input type="checkbox"/>	
Irvine Ranch Water District	<input checked="" type="checkbox"/>	Paul Weghorst	<input type="checkbox"/>	Kellie Welch
LaGrande Water District	<input type="checkbox"/>	Zach Dennis	<input type="checkbox"/>	
Metropolitan Water District	<input type="checkbox"/>	Randall Neudeck	<input type="checkbox"/> <input checked="" type="checkbox"/>	Nina Hawk Sam Smalls
Rosedale-Rio Bravo Water District	<input checked="" type="checkbox"/>	Trent Taylor	<input type="checkbox"/>	Dan Bartel
San Bernardino Valley Water District	<input checked="" type="checkbox"/>	Michael Plinski	<input type="checkbox"/>	Heather Dyer
San Geronio Pass Water Agency	<input checked="" 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 checked="" type="checkbox"/>	Steve Cole	<input type="checkbox"/>	Ali Elhassan
Westside Water District	<input checked="" type="checkbox"/>	Allen Myers	<input type="checkbox"/>	
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 type="checkbox"/>	Ed Horton	<input type="checkbox"/>	Ben Barker
Roseville	<input type="checkbox"/> <input type="checkbox"/>	George Hanson Joshua Alpine	<input type="checkbox"/> <input type="checkbox"/>	Sean Bigley Darin Reintjes
Sacramento County	<input type="checkbox"/>	Kerry Schmitz	<input type="checkbox"/>	

Sites Project Authority:

Jerry Brown Ali Forsythe Kevin Spesert JP Robinette Joe Trapasso Marcia Kivett Alan Doud

Members of the Public

<i>Name</i>	<i>Representing</i>	<i>Name</i>	<i>Representing</i>
Chuck Adamson	OE #3	Kyle Hughes	Public

Members of the Public

<i>Name</i>	<i>Representing</i>	<i>Name</i>	<i>Representing</i>
Richy Cruz	Carpenters Union	Bill Vanderwaal	TCCA
Pamela Katleba-Jenkins	Unknown	Jordan Gobel	Dewberry
Clinton Myers	Myers & Sons	Jay Lazarus	Teichert
Carrie Scott	CVWD	Angela Bezzone	MBK Engineers
Daniel Gomez Gutierrez	Acciona	Jeff Turner	Unknown
Morgan Garner	Zone 7	Amy Young	DWR
Brian Thomas	Sites Project	Ashley Stanley	HDR
Jeff Kivett	Brown & Caldwell	Pete Rude	Jacobs
Juleah Cordi	Office of Assembly Member James Gallagher	Cindy Saks	San Bernardino Valley MWD
Eric Patterson	Kiewit	Amy Aguer	SCVWA
Joe Iniguez	Halmar International	Andrew Holmquist	Tutor Perini
Charles Diamond	Water Economics	June Hayes	Div. 1
Melanie Vo	Dragados	Sanjay Gaur	Water Economics
Michael Smith	Aecom	Josh Graves	Ramo Soil
Andrew Sears	Aecon	Andrea Rocha	GeoEngineers
Andres T-Weinberg	Delve Underground	Tony Orozco	Western Ready Mix
Quentin Williams	MWH Constructors	Jennifer	Unknown
Sarah Katz	Katz & Associates	Ayoub Antabeel	MWH Constructors
Matthew Carpenter	Stantec	Loan Iqbal	Lane Construct
Henry Luu	HDR	Conner McDonald	CMD West
John Spranza	HDR	Alan Boyce	Materra
Rubina Chaudhary	Marrs Corp	Jelica Arsenijevic	HDR
Alex Shafer	Materra	Derek Gardels	HDR

Members of the Public

<i>Name</i>	<i>Representing</i>	<i>Name</i>	<i>Representing</i>
Daniel	Unknown	Charlene Sun	Valley Water
Keith Johnson	Delve Underground	Grace Lui	GFNET
Josepha Miller	Montague Derosé	Erin Huang	Jacobs
Richard Newens	HDR	Sean Pritchard	KSN Inc.
Jacob Berens	USBR	Terry Marcellus	KKCS Inc.
Desi Dikova	Brierley Associates	Daniel	Unknown
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