

Sites Reservoir & Authority Board

Agenda Item 02-01 Amendment 3 Work
Plan Update & 2025 Budget Adoption

October 18, 2024



Work Plan Update Requested Actions

Requested actions to be covered today:

1. Approval of Amendment 3 Work Plan update
2. Approval of an extension of Amendment 3 to June 30, 2026
3. Approval of 2025 Cash Call to be Invoiced 1/1/2025
4. Approval of 2025 Annual Budget

Amendment 3 Extension

- Amendment 3 Work Plan initially adopted in Sept 2021
- A3 Original WP Period of Performance: 1/1/2022 – 12/31/2024
 - October 2023: Approval of A3 extension through 12/31/2025
 - **Requested action**: 6-month extension through June 30, 2026.
 - Reasoning: Delays in Water Right Permit
- **Impact**: Limited Revenue & Competing Priorities

Proposed 2025 Revenue Budget

<u>Revised Revenue Budget by Source</u>	<u>Proposed 2025 Budget</u>
Reservoir Committee Cash Call (\$40/AF)*	\$6.7M
Authority Board Seat Dues	\$0.4M
Federal (WIIN Act) Funding	\$8.5M
State (Prop 1 [WSIP])	--
Interest Income	\$0.8M
Revenue Total	\$16.3M

*Requested Action

Proposed 2025 Expense Budget

<u>Revised Expense Budget by Subject Area</u>	<u>Proposed 2025 Budget</u>
Communications	\$0.5M
Engineering	\$14.6M
External Affairs	\$0.4M
General Project Activities	\$0.9M
Permitting	\$11.2M
Planning	\$0.3M
Program Ops	\$8.6M
Real Estate	\$3.0M
Total	\$39.5M

Note: Approximately \$4.1M in total contingency is included in the subject area budgets shown above

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Total	\$39.5M

Represents **\$34.4M** of **\$39.5M** 2025 Budget

Engineering Subject Area

- **Priorities:** Preparing for Delivery of Critical Path Work
- **2025 Budget:** \$14.6M
- **Key Scope Items:**
 - Initiate Golden Gate Dam Geotech Exploration
 - On-Board CMAR for Reservoir Package
 - Prepare Construction Site Preparation and Access Construction Package
 - Prepare Comprehensive Risk Register Update
 - Advancement of CAISO and PG&E Power Studies Needed for Establishing Agreements with Power Entities
 - Determine Construction Water Needs and Sources
 - Perform Construction Traffic Study

Permitting Subject Area

- **Priorities:** Securing Water Right & Other Key Permits
- **2025 Budget:** \$11.2M
- **Key Scope Items:**
 - Secure Water Right Permit
 - Secure Project-level Operations BiOps and Other Critical Permits for Construction
 - Implement EIR, ITP, and Anticipated Section 106 and Water Right Conditions
 - Complete an Environmental Compliance Implementation System
 - Begin Greenhouse Gas Emissions Plan
 - Continue Field Surveys and Monitoring
 - Advance Mitigation Contractor Procurement and Support Early Mitigation Purchases

Program Operations Subject Area

- **Priorities:** Execute Agreements and Secure Financing
- **2025 Budget:** \$8.6M
- **Key Scope Items:**
 - Prepare Benefits & Obligations Contract for Execution
 - Prepare Partnership Agreement for Execution
 - Prepare State Public Benefits Agreements for Execution
 - Complete Project Financing Preparations
 - Purchase/Implement Delivery Software Tools (i.e. Construction Document Management System, Financial Information System)
 - Ongoing Program Costs/Staffing to Support Authority Business Functions

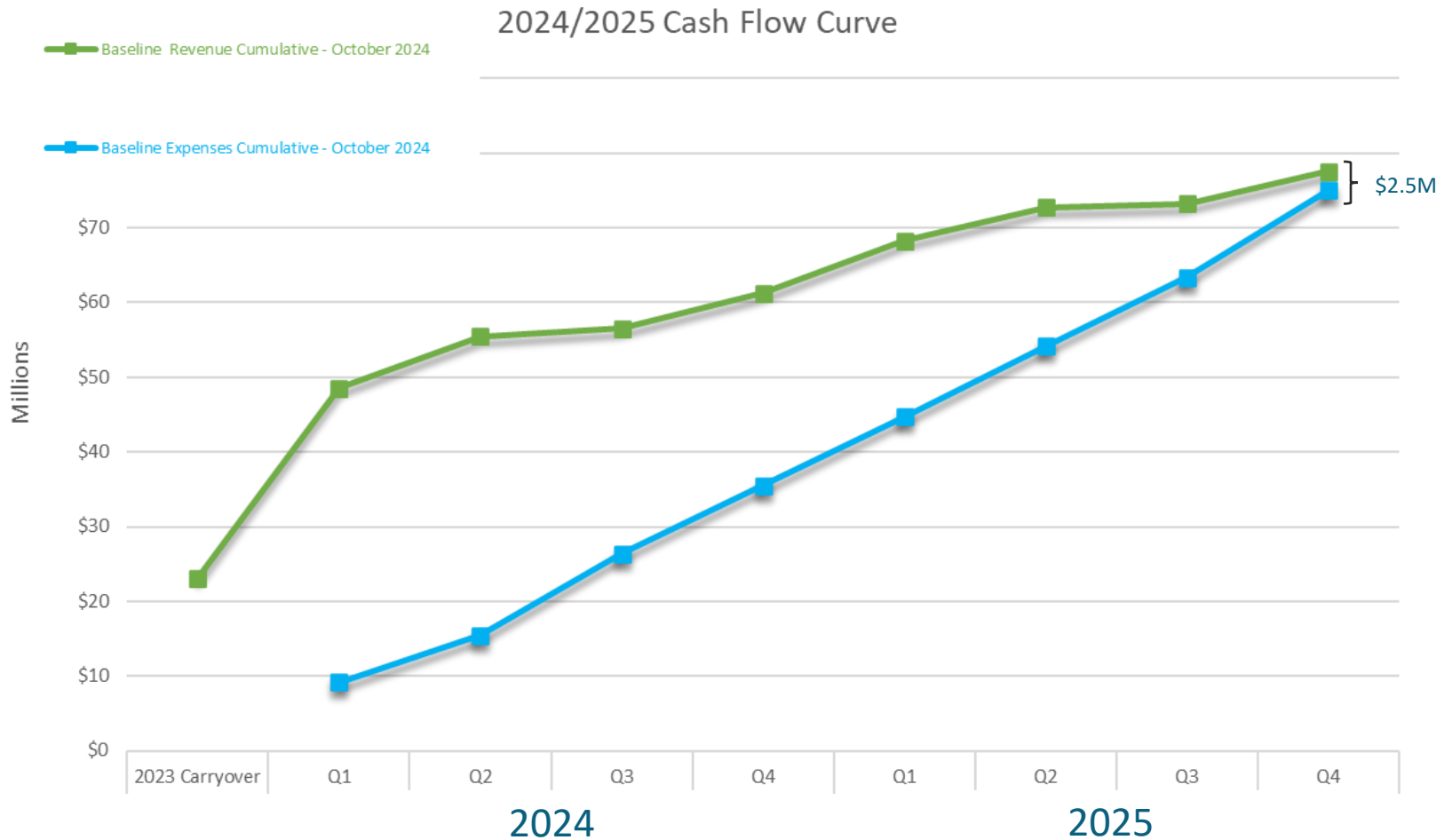
Amendment 3 Budget Status

A3 Work Plan budget update, including 2026 estimates:

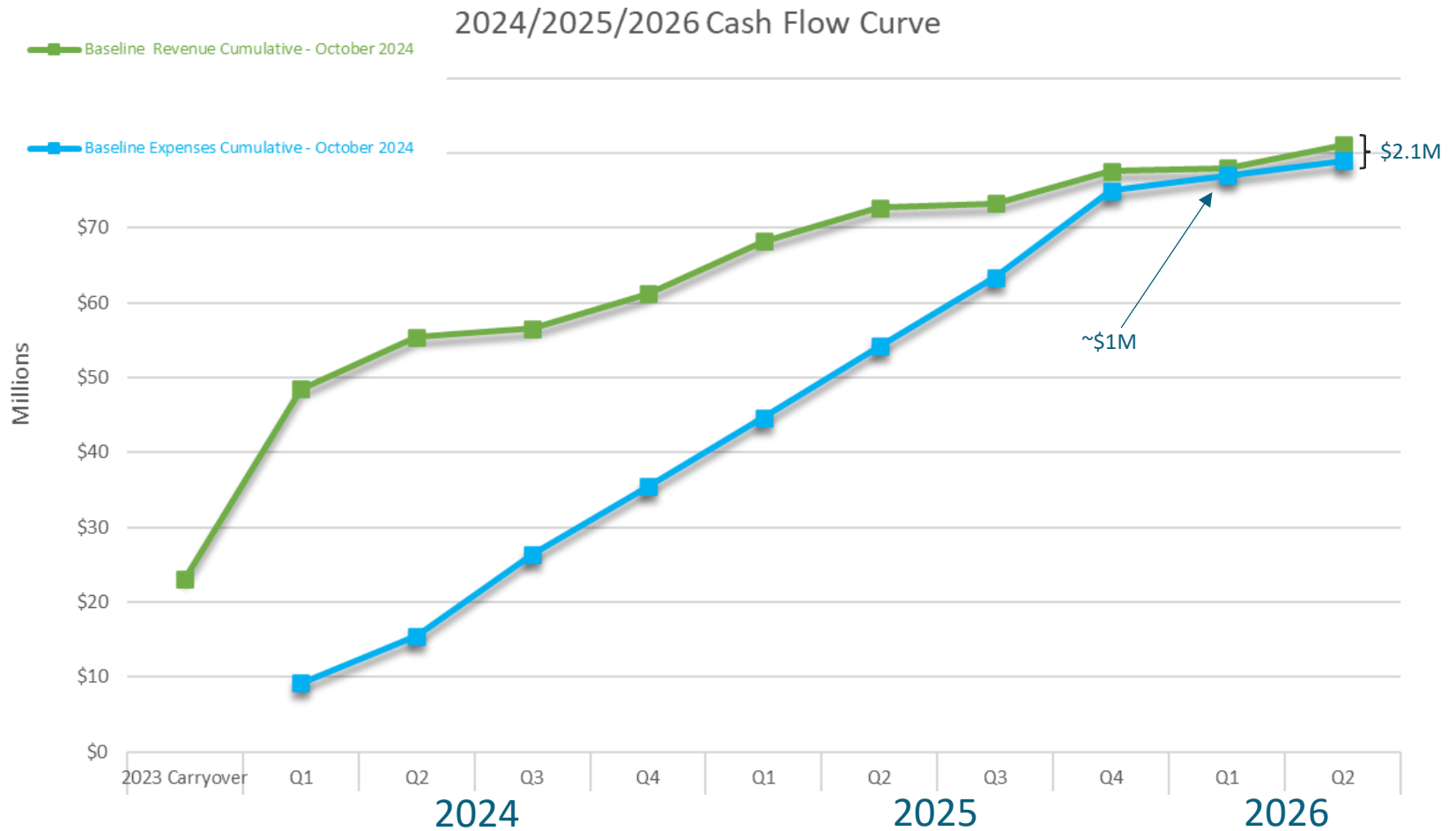
	Actuals			Forecast		
(In \$M)	2022	2023	2024	2025	2026	Total
Expense	\$24.7	\$42.7	\$35.5	\$39.5	\$4.0	\$146.4
Revenue	\$45.9	\$44.6	\$38.1	\$16.3	\$3.5	\$148.4

*Requested Approval

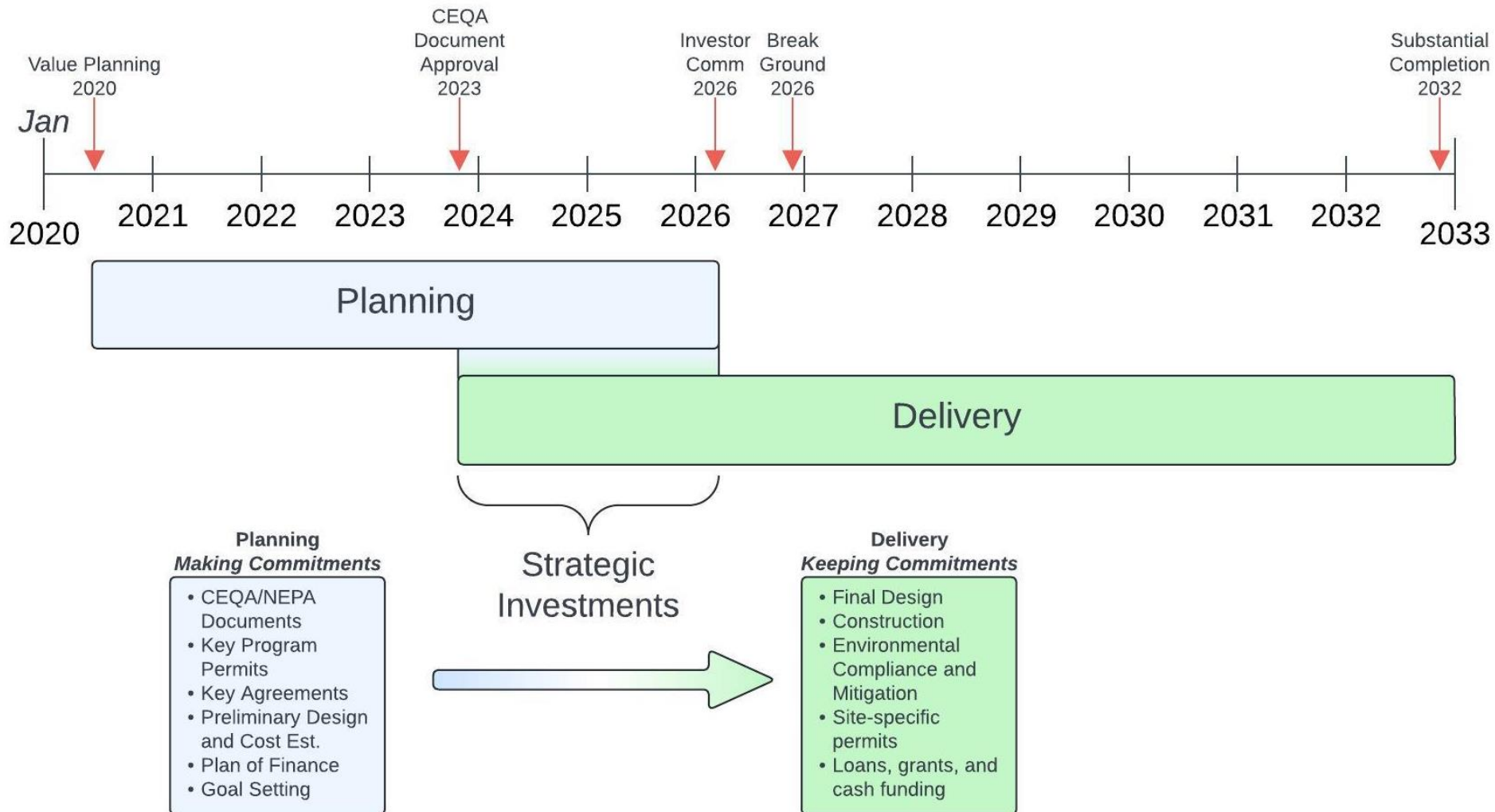
Cash Flow Curve Through 2025



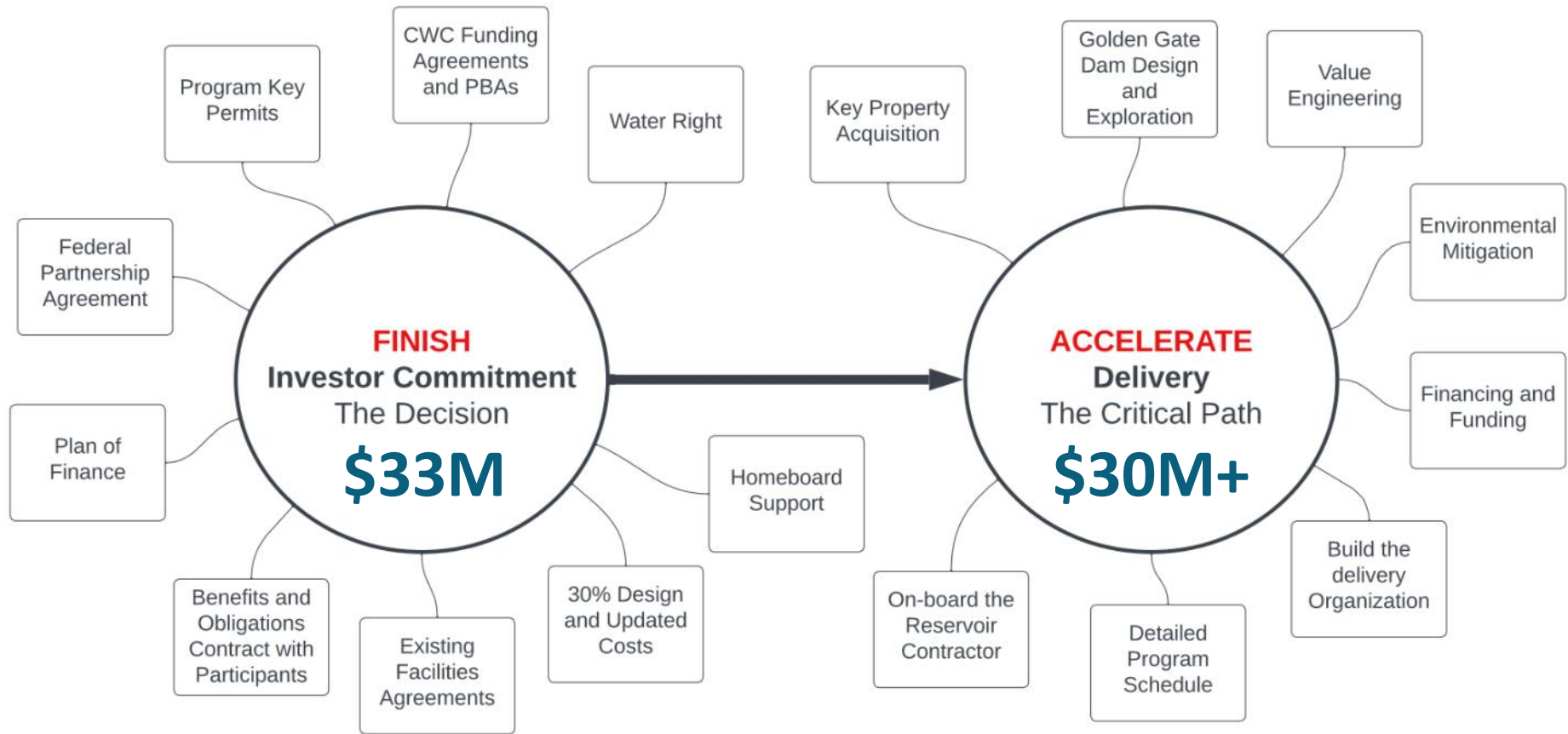
Cash Flow Curve Through Q2-2026



Project Timeline

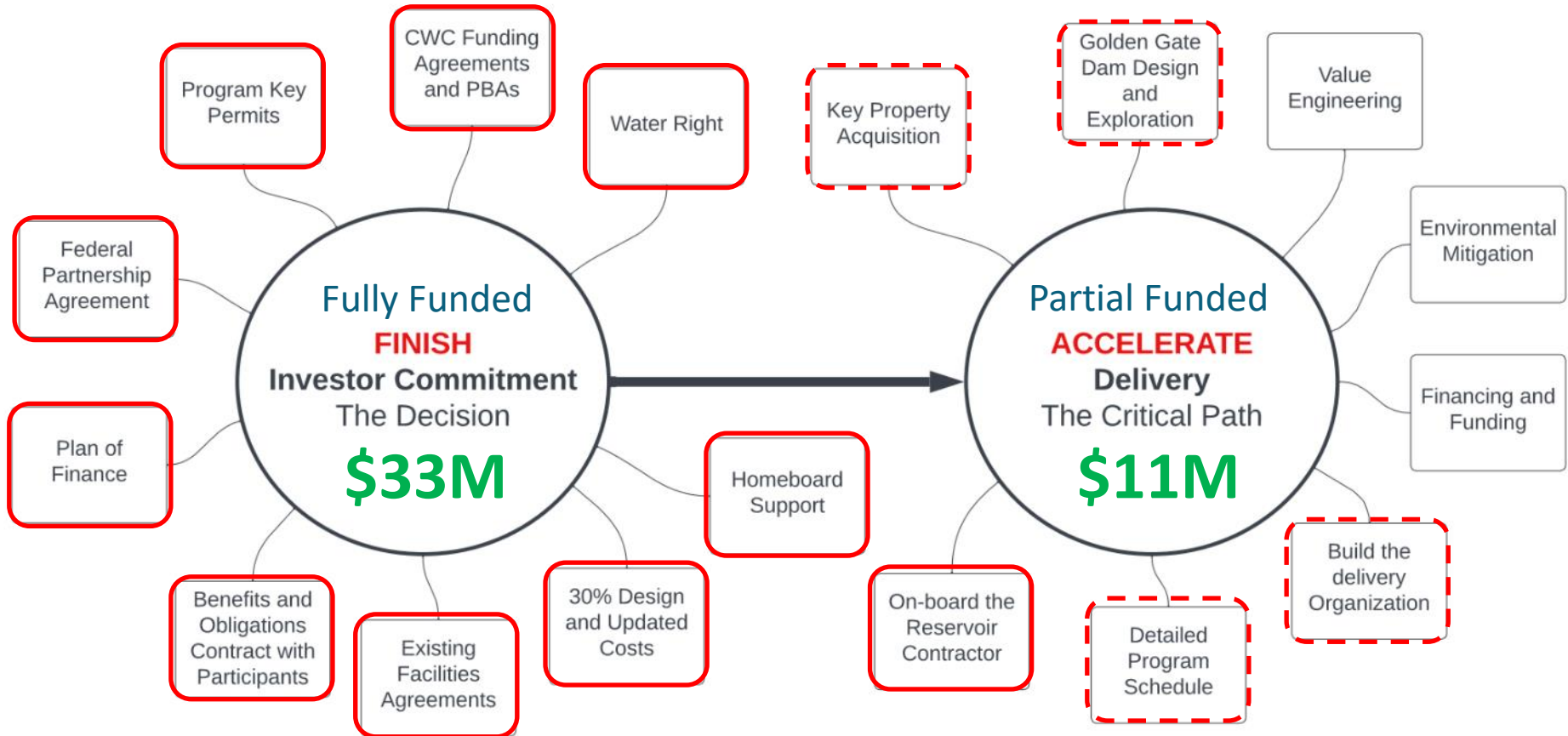


Amendment 3 Priority Work Activities



\$63M+ identified as priority work

Amendment 3 Priority Work Activities



~\$44M in anticipated funds available for 2025 and 2026 activities

Future Consideration

Unfunded or Partially Funded activities to be initiated if funding is available:

- Advancing select design
- Acquiring more land
- Getting ahead on mitigation
- Additional strategic phase 3 hires

Next Steps

- Work plan approval and budget adoption
 - October 18th, 2024
- Increase to contract authority for ED to extend consultant contracts
 - November xx, 2024
- Next mid-year work plan check-in
 - June 2025

Questions?

