

August 18, 2020

AMENDED MEETING NOTICE

WATER STORAGE EXPLORATORY COMMITTEE

Board Members of the Water Storage Exploratory Committee

Director Gary Kremen, Committee Chair

Director Richard P. Santos

Director John L. Varela

Staff Support of the Water Storage Exploratory Committee

Rick Callender, Chief Executive Officer

Melanie Richardson, Assistant Chief Executive Officer

Rachael Gibson, Interim Chief of External Affairs

Garth Hall, Interim Chief Operating Officer, Water Utility

Sue Tippets, Interim Chief Operating Officer, Watersheds

Stanly Yamamoto, District Counsel

Brian Hopper, Senior Assistant District Counsel

Anthony Fulcher, Senior Assistant District Counsel

Aaron Baker, Deputy Operating Officer, Raw Water Division

Don Rocha, Interim Deputy Administrative Officer, Office of Government Relations

Jerry De La Piedra, Interim Deputy Operating Officer, Water Supply Division

Heath McMahon, Deputy Operating Officer, Water Utility Capital Division

Christopher Hakes, Deputy Operating Officer, Dam Safety & Capital Delivery Division

Erin Baker, Asset Management Manager

Cindy Kao, Imported Water Manager, Imported Water Unit

Ryan McCarter, Pacheco Project Manager, Pacheco Project Delivery Unit

Charlene Sun, Treasury and Debt Manager

Metra Richert, Unit Manager, Water Supply Planning & Conservation Unit

Samantha Greene, Senior Water Resources Specialist, Water Supply Planning & Conservation Unit

An **amended** regular meeting of the Santa Clara Valley Water District (SCVWD) Water Storage Exploratory Committee is to be held on **Friday, August 21, 2020, at 12:00 p.m.** [Join Zoom Meeting https://valleywater.zoom.us/j/98473736757](https://valleywater.zoom.us/j/98473736757)

Enclosed are the meeting agenda and corresponding materials. Please bring this packet with you to the meeting.

Enclosures



Join Zoom Meeting

<https://valleywater.zoom.us/j/98473736757>

Meeting ID: 984 7373 6757

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Santa Clara Valley Water District Water Storage Exploratory Committee Meeting

Teleconferencing Via Zoom

AMENDED REGULAR MEETING AGENDA

**Friday, August 21, 2020
12:00 PM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

WATER STORAGE EXPLORATORY
COMMITTEE

Gary Kremen, Chair, District 7
Richard P. Santos, District 3
John I. Varela, District 1

All public records relating to an item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend the committee meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

JERRY DE LA PIEDRA
Committee Liaison

GLENN BRAMBILL
Management Analyst II
Office/Clerk of the Board
(408) 630-2408
gbrambill@valleywater.org
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Water Storage Exploratory Committee**

**AMENDED REGULAR MEETING
AGENDA**

Friday, August 21, 2020

12:00 PM

Teleconferencing Via Zoom

IMPORTANT NOTICES

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020 that allows attendance by members of the Committee, staff, and the public to participate and conduct the meeting by teleconference, videoconference, or both.

Members of the public wishing to address the Committee during a video conferenced meeting on an item not listed on the agenda, or any item listed on the agenda, should use the "Raise Hand" or "Chat" tools located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in the order requests are received and granted speaking access to address the Committee.

Santa Clara Valley Water District (Valley Water) in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Committee meetings to please contact the Clerk of the Board's office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

1. CALL TO ORDER

Join Zoom Meeting
<https://valleywater.zoom.us/j/98473736757>

Meeting ID: 984 7373 6757
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1.1 Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

Notice to the Public: Members of the public who wish to address the Committee on any item not listed on the agenda should access the "Raise Hand" or "Chat" tools located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of Minutes. [20-0651](#)

Recommendation: Approve the July 13, 2020, Meeting Minutes.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: 07132020 DRAFT WSEC Minutes](#)

4. ACTION ITEMS:

4.1. Update on Los Vaqueros Reservoir Expansion Project: 2019 Multi-Party Agreement Amendment [20-0652](#)

Recommendation: Receive and discuss information regarding the Amendment 2 to the 2019 Multi-Party Agreement Increasing SCVWD Cost Share By Up to \$1 Million.

Manager: Jerry De La Piedra, 408-630-2257

Attachments: [Attachment 1: Draft Amendment No. 2 to the CSA for LVRE Pro](#)
[Attachment 2: LVE Project](#)

Est. Staff Time: 20 Minutes

- 4.2. Second Amendment to 2019 Reservoir Project Agreement for Continued Participation in the Sites Reservoir Project [20-0653](#)

Recommendation: A. Receive update and report on the Sites Reservoir Project;
 B. Recommend to Board to authorize the Chief Executive Officer to execute the Second Amendment to 2019 Reservoir Project Agreement with Sites Project Authority and the Project Agreement Members for a minimum participation level of 3.2 percent of the total project and a minimum funding commitment of up to \$0.78 Million;
 C. Recommend to Board to Direct Valley Water staff to continue engagement in Sites Reservoir Committee and negotiate future parameters for participation.

Manager: Jerry De La Piedra, 408-630-2257

Attachments: [Attachment 1: July Agenda Memo Staff Report](#)
 [Attachment 2: Second Amendment](#)
 [Attachment 3: Preliminary Amendment 2 Participation Table](#)
 [Attachment 4: Exhibit A Project Agreement Members](#)
 [Attachment 5: PowerPoint](#)
 [Attachment 6: Sites Authority Board Letter](#)

Est. Staff Time: 20 Minutes

- 4.3. Review Water Storage Exploratory Committee Work Plan and the Committee's Next Meeting Agenda. [20-0654](#)

Recommendation: Review the Committee's Work Plan to guide the Committee's discussions regarding policy alternatives and implications for Board deliberation.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: WSEC 2020 Work Plan](#)
 [Attachment 2: WSEC Draft Agenda](#)

Est. Staff Time: 5 Minutes

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

6. CLOSED SESSION:

6.1. EXISTING LITIGATION – Government Code Section 54956.9(d)(1) SCVWD v. Edmund Jin, et al., Santa Clara Co. Superior Court, No. 19CV352227

6.2. District Counsel Report on Closed Session.

7. **ADJOURN:**

7.1. Adjourn



Santa Clara Valley Water District

File No.: 20-0651

Agenda Date: 8/21/2020
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Water Storage Exploratory Committee

SUBJECT:

Approval of Minutes.

RECOMMENDATION:

Approve the July 13, 2020, Meeting Minutes.

SUMMARY:

A summary of Committee discussions, and details of all actions taken by the Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Committee's meetings.

ATTACHMENTS:

Attachment 1: 07132020 WSEC Draft Mins

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711



SANTA CLARA VALLEY WATER DISTRICT (VALLEY WATER)
WATER STORAGE EXPLORATORY COMMITTEE

DRAFT MINUTES

**MONDAY, JULY 13, 2020
3:00 PM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Water Storage Exploratory Committee (Committee) was held on July 13, 2020, via Zoom Meeting at Valley Water, 5700 Almaden Expressway, San Jose, California.

1. CALL TO ORDER

The Water Storage Exploratory Committee was called to order by Chair Director Gary Kremen at 3:02 p.m.

1.1 ROLL CALL

Board Members in attendance were: Director Gary Kremen-District 7, Director Richard P. Santos-District 3, and Director John L. Varela-District 1.

Staff in attendance were: Aaron Baker, Erin Baker, Lisa Bankosh, Glenna Brambill, Frances Brewster, Domingo Candelas, Jerry De La Piedra, Mark DeMartini, Vincent Gin, Samantha Greene, Andy Gschwind, Christopher Hakes, Garth Hall, Brian Hopper, Katrina Jessop, Cindy Kao, Eric Leitterman, Kathleen Low, Bill Magleby, Michael Martin, Ryan McCarter, Heath McMahon, Steven Peters, Melanie Richardson, Metra Richert, Don Rocha, Eli Serrano, Charlene Sun and Beckie Zisser.

Guests in attendance were: Anthea Hansen and Chris White (Del Puerto), Marguerite Patil (Contra Costa Water District-CCWD, Tim Francis, Steve Jordan, and Danielle McPherson (BAWSCA), Bill Tuttle (San Jose Water Company) Mourad Attalla, Andrew Bell, David Cramer, Reid Fisher, Catherine Matsuiyo Tompkison, Michelle Shiro, Grace Silverboard, Bob Green, Phil Gregory, Katja Irvin, Leslie Moulton, David Niese, Nancy Walker, and Javed.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA

There was no one present who wished to speak.

3. APPROVAL OF MINUTES

3.1 APPROVAL OF MINUTES

It was moved by Director Richard P. Santos, seconded by Director John L. Varela, and unanimously carried to approve the minutes of the January 15, 2020, meeting of the Water Storage Exploratory Committee as presented by roll call vote and all Directors voting yes!

4. ACTION ITEMS

4.1 DEL PUERTO CANYON RESERVOIR UPDATE

Ms. Anthea Hansen and Mr. Chris White reviewed the materials as outlined in the agenda item.

The Committee (Directors Kremen, Santos and Varela) discussed the following: project WIIN ACT funding, feasibility study, CEQA almost completed, alternate locations, banking projects, finances, economy, costs, likes/dislikes of potential partners, legality of park, permitting, acre foot costs, critical and non-critical years, nature enthusiasts/interested agencies, and outreach. The Committee had questions from Dave Cramer and Phil Gregory, regarding; hard bids, construction, costs, design concerns and small business opportunities.

Ms. Anthea Hansen and Mr. Chris White were available to answer questions.

The Committee took no action.

4.2 LOS VAQUEROS RESERVOIR EXPANSION PROJECT: STORAGE, TRANSFER-BETHANY PIPELINE, AND SOUTH BAY AQUEDUCT CAPACITY

Ms. Samantha Greene reviewed the materials as outlined in the agenda item.

The Committee (Directors Kremen, Santos and Varela) discussed the following: Conveyance/storage capacity, multi-party agreement (MPA) expiration June 2020 and extension unto December 2020, South Bay Aqueduct (SBA) poor condition, payments, agencies and the shared cost (Zone 7, Alameda), DWR's feasibility study, Anderson Dam fault concerns, LAP-new water and diversification of storage.

Ms. Erin Baker reported that she is working with SBA/DWR and contractors (Brown and Caldwell) regarding capacity availability and the MPA that has expired and the quarterly payments. Discussed the agreement coming back to the Committee before going to the Full Board.

The Committee received a question from Mr. Steve Jordan on estimated cost for conveyance and if it will be done for storage.

Mr. Jerry De La Piedra, Ms. Metra Richert and Ms. Marguerite Patil (CCWD) were available to answer questions. Cost concerns can be found in the Water Supply Master Plan online.

The Committee took the following action:

It was moved by Director John L. Varela seconded by Director Richard P. Santos, and unanimously carried to approve the Committee's recommendation to approve staff's

recommendation to bring Amendment 2 to the 2019 Multi-Party Agreement to the Board of Directors for its consideration by roll call vote and all Directors voting yes! One footnote, Committee requested that updated information come back to the Committee before going to the full Board.

4.3 SECOND AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT FOR CONTINUED PARTICIPATION IN THE SITES RESERVOIR PROJECT

Ms. Cindy Kao reviewed the materials as outlined in the agenda item.

The Committee (Directors Kremen, Santos and Varela) discussed the following: can support this project but where are the funds coming from, minimum participation in next year's budget, pros and cons, local water vs outside water, and low and high range levels for

The Committee received a question from Mr. Steve Jordan does the yield go up in drought years.

Mr. Jerry De La Piedra and Mr. Garth Hall were available to answer questions.

The Committee took no action, however, before taking any action, requested more information on the agreement/project for further discussion at the next meeting.

Chair Director Kremen moved to Agenda 4.5

4.5 UPDATE ON PACHECO RESERVOIR EXPANSION/SAN LUIS LOW POINT IMPROVEMENT PROJECTS

Mr. Ryan McCarter reviewed the materials as outlined in the agenda item.

The Committee (Directors Kremen, Santos and Varela) discussed the following: Prop funding, EIR data, WSIP funding, public scoping meeting in late September 2020 or early October 2020 for public input and partner discussions.

The Committee took no action.

Chair Director Kremen moved to Agenda 4.4

4.4 UPDATE ON THE B. F. SISK DAM RAISE PROJECT

Ms. Cindy Kao reviewed the materials as outlined in the agenda item.

The Committee (Directors Kremen, Santos and Varela) discussed the following: Project relocation costs, raising cost significant and support from environmentalists.

The Committee took no action.

Chair Director Kremen moved to Agenda 4.6

4.6 REVIEW WATER STORAGE EXPLORATORY COMMITTEE WORK PLAN AND THE COMMITTEE’S NEXT MEETING AGENDA

Ms. Glenna Brambill reviewed the materials as outlined in the agenda item.

Committee discussed LVE/SBA, Pacheco, Sites and San Luis Reservoir Low Point costs for continued discussion.

Staff will work with Chair Kremen on next meeting’s agenda.

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE ACTIONS

Ms. Glenna Brambill noted there was one action item for Board consideration.

Agenda 4.2

The Committee took the following action:

The Committee recommended approving staff’s recommendation to bring Amendment 2 to the 2019 Multi-Party Agreement to the Board of Directors for its consideration by roll call vote and all Directors voting aye! One footnote, Committee requested that updated information come back to the Committee before going to the full Board.

6. 6.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Govt. Code Sec. 54956.9(d)(1)

SCVWD v. Jin, et al., Santa Clara County Superior Court, No. 19CV352227

6.2 DISTRICT COUNSEL REPORT ON CLOSED SESSION

Mr. Brian Hopper reported that direction was given to staff.

7. ADJOURNMENT

Chair Director Gary Kremen adjourned the meeting at 5:43 p.m.

Glenna Brambill
Board Committee Liaison
Office of the Clerk of the Board

Approved:



Santa Clara Valley Water District

File No.: 20-0652

Agenda Date: 8/21/2020

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM

Water Storage Exploratory Committee

SUBJECT:

Update on Los Vaqueros Reservoir Expansion Project: 2019 Multi-Party Agreement Amendment

RECOMMENDATION:

Receive and discuss information regarding the Amendment 2 to the 2019 Multi-Party Agreement Increasing SCVWD Cost Share By Up to \$1 Million.

SUMMARY:

At meeting July 13, 2020, the Water Storage Exploratory Committee (Committee) considered the continued participation in the Los Vaqueros Expansion Project and recommended that Amendment 2 to the 2019 MPA be presented to the full Board for consideration. The Committee was advised by staff at the July meeting that the item would proceed to the Board in the Fall once the Second Amendment was finalized for approval. The draft of the Second Amendment is provided to the Committee for information. The additional cost share for Santa Clara Valley Water District (Valley Water) is expected to be between approximately \$800,000 to just over \$1 million.

Valley Water continues to evaluate participating in the Los Vaqueros Reservoir Expansion Project (LVE Project) led by Contra Costa Water District (CCWD). The LVE Project may provide Valley Water regional storage, new water through CCWD's diversion rights, and increased operational flexibility in the conveyance of imported water. Valley Water entered into a 2019 Multi-Party Agreement (MPA) that included a \$314,782 cost share to fund LVE Project development through June 30, 2020, which was extended to December 31, 2020 by Amendment 1 to the 2019 MPA. To continue project development, CCWD has requested project partners adopt Amendment 2, which extends the MPA through 2021 and includes an additional cost share.

Background

The LVE Project would expand Los Vaqueros Reservoir storage from 160 thousand acre-feet (TAF) to 275 TAF and improve and build new conveyance facilities, including the 300 cubic feet per second (cfs) Transfer-Bethany Pipeline that would connect Los Vaqueros facilities to the State Water Project's (SWP) South Bay Aqueduct (SBA). To date, Valley Water has spent approximately \$591,000 towards LVE Project cost sharing for the Water Storage Investment Program (WSIP) application and project development, including in-kind labor costs.

Amendment 2 to the 2019 Multi-Party Agreement

To participate in project development, the Board authorized joining the LVE Project MPA on March 26, 2019, which included cost share funds not to exceed \$355,000. The MPA was fully executed on

April 30, 2019 and committed Valley Water to \$314,782 with a term date of June 30, 2020. Valley Water signed Amendment 1 in June 2020 to extend the existing agreement through December 31, 2020. Amendment 1 was only a time extension and did not require additional funding. CCWD has drafted Amendment 2, which will extend the MPA through December 31, 2021, expand the scope of work, and require an additional cost share. The total cost for Amendment 2 is estimated at \$17.8 million with the Local Agency Partners (LAPs) share totaling \$6.1 million accounting for state and federal funding. The cost share to Valley Water is expected to be approximately between \$800,000 to just over \$1 million, depending on the number of LAPs that continue to participate. The cost is split equally among the LAPs, which is the same as the original MPA. The additional cost share in Amendment 2 will fund: JPA formation, preparation of service agreements, developing permits and agreements necessary to secure full WSIP funding, operational or conveyance issues identified by LAPs (e.g., SBA conveyance), 90% level of LVE Project design, and other critical path items as required to receive full WSIP funding from the California Water Commission. CCWD has requested the LAPs decide on Amendment 2 by the end of September 2020. Given that Amendment 2 is requesting a significant financial commitment, CCWD proposes to split the cost share into four payments: September 2020, November 2020, March 2021, and July 2021. There will also be provisions that allow LAPs to withdraw at any time, and if a decision to withdraw is made prior to any one of the payment due dates, those future payments would not need to be made.

Valley Water staff has provided comments on the draft Amendment 2 (Attachment 1) which focus on clarifying the responsibilities of CCWD, the South Bay Aqueduct Contractors (including Valley Water), and the Department of Water Resources related to determining available capacity in the SBA. The SBA may be used to deliver water from Los Vaqueros to the South Bay Aqueduct Contractors and potentially San Francisco Public Utilities Commission (SFPUC) and the Bay Area Water Supply & Conservation Agency (BAWSCA).

Next Steps

The following are the key long-term decision points and milestones for the LVE Project:

- September 2020: Board meeting to consider a Valley Water resolution to adopt Amendment 2 to the 2019 MPA, which includes additional cost-share.
- Fall 2020: Committee meeting to discuss and recommend JPA Agreement for the Board's consideration.
- Winter 2020/2021: Board meeting to consider Valley Water participation in JPA.
- Late-2021: JPA executes Service Agreements (storage and/or conveyance services) with CCWD and the LAPs and the JPA executes Facilities Usage Agreements with CCWD and EBMUD for existing facilities (i.e., establishes user fees).
- 2023-2025: Construction of Transfer-Bethany Pipeline.
- 2027-2029: Construction of Los Vaqueros dam raise, upgraded pumping facilities, and other conveyance improvements.

ATTACHMENTS:

Attachment 1: Draft Amendment No. 2 to the Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning

File No.: 20-0652

Agenda Date: 8/21/2020
Item No.: 4.1.

Attachment 2: PowerPoint Presentation

UNCLASSIFIED MANAGER:

Jerry De La Piedra, 408-630-2257

**Amendment No. 2 to the
Cost Share Agreement for
Los Vaqueros Reservoir Expansion Project Planning**

The Cost Share Agreement for Los Vaqueros Reservoir Expansion Project Planning between Contra Costa Water District (CCWD) and Alameda County Flood Control and Water Conservation District, Zone 7 (Zone 7); Alameda County Water District (ACWD); Bay Area Water Supply & Conservation Agency (BAWSCA); East Bay Municipal Utility District (EBMUD); Grassland Water District (GWD); San Francisco Public Utilities Commission (SFPUC); San Luis & Delta-Mendota Water Authority (SLDMWA); and Santa Clara Valley Water District (Valley Water) (collectively, “Local Agency Partners”), dated April 30, 2019 and amended on June 22, 2020 (referred to hereafter as the “Agreement”), shall hereby be amended by this Amendment No. 2. The Agreement, together with Amendment No. 1 and this Amendment No. 2, may be referenced hereafter as the “Agreement as amended”.

RECITALS

WHEREAS, Contra Costa Water District and the Local Agency Partners (collectively, “Parties”) entered into the Agreement dated April 30, 2019, to provide for the cost-sharing of the funding requirements for the planning of the Los Vaqueros Reservoir Expansion Project (“Project”); and

WHEREAS, pursuant to Sections 5 and 17 of the Agreement, the Agreement was amended on June 22, 2020 to extend the term of the Agreement to December 31, 2020; and

WHEREAS, on April 30, 2020 CCWD and the City of Brentwood entered into a Memorandum of Understanding (Brentwood/CCWD MOU) regarding the City’s potential service from Los Vaqueros and CCWD is participating in coordination with and on behalf of the City of Brentwood through the Brentwood/CCWD MOU; and

WHEREAS, on April 29, 2019 CCWD and ACWD entered into a letter agreement to procure services to complete the independent review of the proposed usage fees developed by CCWD and EBMUD; and

WHEREAS, ACWD entered into a contract with Bartle Wells Associates to complete the independent review of the proposed usage fees;

WHEREAS, on December 30, 2019 Bartle Wells Associates provided the Parties with the final report of the evaluation of the proposed usage fees; and

WHEREAS, on May 13, 2020 CCWD’s Board of Directors approved the Project and certified the Final Supplement to the Final Environmental Impact Statement/ Environmental Impact Report; and

WHEREAS, on May 22, 2020 the Notice of Determination for the Los Vaqueros Reservoir Expansion Project was filed with the state clearinghouse; and

WHEREAS, the Final Federal Feasibility Report has been completed by Reclamation; and

WHEREAS, the 2020 federal budget included \$2.155 million to fund Reclamation's work to advance pre-construction activities for the Project; and

WHEREAS, a legal workgroup was formed consisting of counsel from each of the Parties; the legal workgroup unanimously selected Joint Powers Authority (JPA) Formation Counsel; and

WHEREAS, on May 18, 2020 the first draft of the Joint Exercise of Powers Agreement was provided to the legal workgroup; and

WHEREAS, draft biological assessments were provided to Reclamation to support re-initiation of consultation with U.S. Fish and Wildlife Service and National Marine Fisheries Service under Section 7 of the Endangered Species Act; and

WHEREAS, on May 21, 2020 the Technical Review Board and representatives from the Division of Safety of Dams reviewed the 50% design of the Los Vaqueros dam raise; and

WHEREAS, on May 26, 2016 CCWD entered into a funding agreement with the California Department of Water Resources (DWR) for the Canal Replacement Project and amended that agreement to fund preliminary design evaluations of Pumping Plant No. 1 Replacement; and

WHEREAS, CCWD competitively selected an engineering consultant and entered into a professional services agreement to prepare preliminary design evaluations of Pumping Plant No. 1 Replacement in support of permitting efforts; and

WHEREAS, CCWD and the South Bay Aqueduct Contractors which currently hold contracts with DWR for supply from the State Water Project and conveyance of these supplies through the South Bay Aqueduct have initiated discussions with DWR to address potential changes to water rights, Delta operations, and other agreements necessary to implement the Project; and

WHEREAS, the South Bay Aqueduct is currently a critical conveyance facility for the South Bay Aqueduct Contractors and has been proposed as the primary conveyance facility for delivering supplies from the Project to BAWSCA's and the SFPUC's Service Areas; and

WHEREAS, DWR is conducting a condition assessment of the South Bay Aqueduct in coordination with the South Bay Aqueduct Contractors; and

WHEREAS, the South Bay Aqueduct Contractors have procured a consultant to evaluate potential capacity in the South Bay Aqueduct available for BAWSCA and the SFPUC; and

WHEREAS, DWR, as the owner and operator of the South Bay Aqueduct, has the authority to approve the conveyance of non-State Water Project water supplies through the South Bay Aqueduct for use by BAWSCA and the SFPUC; and

WHEREAS, time is of the essence in terms of the completion of both the South Bay Aqueduct condition assessment and capacity study and the development of additional agreements with DWR as

necessary in order for the South Bay Aqueduct Contractors, BAWSCA, and the SFPUC to be provided with the necessary information and assurances to further evaluate the benefits and costs of participation in the Project; and

WHEREAS, the California Water Commission (CWC) and CCWD have amended the Early Funding Agreement to increase the cap on State reimbursements from \$13.65 million to \$22.95 million;

WHEREAS, Parties have paid a total of \$2,833,036 to date in addition to in-kind services to support work in the Agreement; and

WHEREAS, the Parties wish to again amend the Agreement to further extend the term and to fund additional planning activities necessary to proceed to a final award hearing and secure a final funding award from the CWC; and

NOW, THEREFORE, the Parties agree that the above recitals are incorporated in and made part of the Agreement, and, pursuant to Section 17 of the Agreement, do hereby amend the Agreement as amended as follows:

1. Section 1 (Purpose)

In addition to purposes a through h, as provided for in the Agreement, the following purposes and additional paragraphs shall be included in the Agreement as amended.

- i) permits, approvals, certifications, and agreements as required by the CWC to proceed to a final award hearing and secure a final funding award;
- j) design of the Los Vaqueros dam to the 90% level and advancement of design work on other Project facilities; and
- k) draft service agreements;

Purposes a and b, as provided for in the Agreement, have been achieved and do not require additional funding.

Work to achieve Purposes c, d, e, f, g, h, i, j, and k will be advanced under the Agreement as amended. Work completed by the Consultant Team and CCWD staff to achieve these Purposes will be partially funded by this Amendment No. 2 to the Agreement.

A detailed scope of work and budget for activities funded by this Amendment No.2 are included in Exhibit A-2 and Exhibit B-2, respectively, which are attached hereto and incorporated herein as if fully set forth in this Amendment No. 2 to the Agreement.

2. Section 2 (Roles & Responsibilities)

In addition to the existing roles and responsibilities described in the Agreement, the following additional roles and responsibilities shall be included in the Agreement as amended.

2.1 Contra Costa Water District Responsibilities

- a-l) as described in the Agreement; and
- m) will submit permit applications for construction and operations of Project facilities including but not limited to: Transfer-Bethany Pipeline, Los Vaqueros Dam Raise,

- Pumping Plant No. 1 Replacement, Neroly Highlift Pump Station, Transfer Facility, Delta-Transfer Pipeline; and
- n) will advance the design of Project facilities including but not limited to Los Vaqueros Dam Raise, Pumping Plant No. 1 Replacement, Transfer-Bethany Pipeline, and Neroly Highlift Pump Station; and
 - o) will enter into coordinated operations agreements with Reclamation and DWR; and
 - p) will file change petitions as appropriate on water rights held by CCWD, if deemed necessary and appropriate; and
 - q) will work cooperatively with DWR and Reclamation to modify their water rights to the extent necessary; and
 - r) will execute contracts for administration of public benefits with the California Department of Fish and Wildlife (CDFW) and DWR; and
 - s) will enter into a cost share agreement with Reclamation; and
 - t) will work cooperatively with the South Bay Aqueduct Contractors to secure conveyance agreements with DWR to convey water from the Project through the South Bay Aqueduct; and
 - u) will work cooperatively with EBMUD to develop and execute a Memorandum of Understanding for the potential provision of water during Project construction; and
 - v) will complete an operational risk and reliability assessment; and
 - w) will enter into an agreement with the City of Brentwood to continue its participation in the development of the Project; coordinate with Brentwood and seek their timely input, review and feedback as described in this Agreement; and provide for Brentwood's participation in negotiations, meetings, conference calls, webinars, and committees. No other party will object to such participation.

2.2 East Bay Municipal Utility District Responsibilities

- a-k) as described in the Agreement; and
- l) will obtain permits for facilities that will be funded in part by the CWC (Walnut Creek VFD, Mokelumne Relining); and
- m) will work cooperatively with CCWD to develop and execute a Memorandum of Understanding for the potential provision of water during Project construction; and
- n) will file change petitions on water rights held by EBMUD if deemed necessary and appropriate by EBMUD.

2.6 South Bay Aqueduct Contractors Responsibilities

- a-d) as described in the Agreement; and
- e) will work cooperatively with CCWD to secure conveyance agreements with DWR to convey water from the Project through the South Bay Aqueduct to the South Bay Aqueduct Contractors; and
- f) will provide results of the South Bay Aqueduct condition assessment and capacity study to BAWSCA and the SFPUC. Final capacity assessments and operational constraints will be identified by DWR.

2.8 Joint responsibilities

- a-b) as described in the Agreement; and
- c) CCWD and all Local Agency Partners will work cooperatively to secure federal funding.

The following Section 2.9 shall be added in its entirety to Section 2 of the Agreement as amended:

2.9. San Francisco Public Utilities Commission Responsibilities

In addition to the joint responsibilities and the responsibilities of a Local Agency Partner, the SFPUC, may:

- a) coordinate with BAWSCA and seek its timely input, review and feedback as described in this Agreement.
- b) enter into a separate agreement with BAWSCA to formalize its participation in coordination with the SFPUC in the further development of the Project.
- c) Both the SFPUC and BAWSCA can provide for BAWSCA's participation, in whole or in part in the development of the Project. Participation may include but is not limited to participating in negotiations, meetings, conference calls, webinars, and committees. No other party will object to such participation.

3. Section 3 (Cost & Payment)

Shall be amended such that the following terms shall, as applicable, supplement and/or supersede the corresponding terms in the Agreement in their entirety.

Funds previously provided under the Agreement have been nearly expended. The cost and payment are intended to provide sufficient funding for advancing the completion of the additional Scope of Work as provided for in Exhibit A-2 and Budget provided for in Exhibit B-2.

- a) Total costs to fund work hereunder are identified in Exhibit B-2. The CCWD and Local Agency Partners' collective total share of the cost shall not exceed \$6,081,967 ("Total Cost Share").
- b) Notwithstanding anything to the contrary in the Agreement, CCWD and the Local Agency Partners, excluding GWD, shall be responsible for providing the Total Cost Share in accordance with Exhibit B-2. Timing and quantity of payment for each Local Agency Partner shall not vary from what is put forth in Exhibit B-2 unless CCWD and the Local Agency Partners voluntarily agree to modifications pursuant to Sections 3(d)(iii) and 17 of the Agreement. The Total Cost Share described herein is exclusive of any joint defense or litigation cost share amounts which may be determined in a subsequent written agreement entered into pursuant to Section 9 of the Agreement.
- c) The SFPUC's payments as a Local Agency Partner are subject to the fiscal provisions of the San Francisco charter and the budget decisions of its Mayor and Board of Supervisors. No SFPUC funds will be available hereunder until prior written authorization certified by the City's Controller. The Controller cannot authorize payments unless funds have been certified as available in the budget or in a supplemental appropriation. This Agreement shall automatically terminate, without liability to the City, if funds are not properly appropriated by the Mayor and Board of Supervisors or certified by the Controller. The SFPUC's obligations hereunder shall never exceed the amount certified by the Controller for the purpose

and period stated in such certification. The SFPUC, its employees and officers are not authorized to request services that are beyond the scope of those expressly described herein, unless a written amendment is approved as required by law.

- d) CCWD and the Local Agency Partners will split the Total Cost Share equally over four payments. CCWD will invoice each of the Local Agency Partners for its share of the Total Cost Share detailed in Exhibit B-2.
 - (i) Four invoices are anticipated according schedule to the list below:
 1. Upon execution, if agencies do not execute, the additional cost share will be added to payment #2.
 2. November 1, 2020
 3. March 1, 2021
 4. July 1, 2021
 - (ii) Payment from the Local Agency Partners shall be remitted within thirty (30) days after invoice submittal.
 - (iii) Funds contributed by the Local Agency Partners shall be committed by CCWD and expended only for work required to further the Purposes of this Agreement.
 - (iv) If a sufficient number of Parties withdraw before the second, third, or fourth invoice such that the Local Agency Partners' cost shares exceed \$1,013,661, each remaining Local Agency Partner, at its sole discretion consistent with Section 3.b of this Agreement, shall determine whether to withdraw from the Agreement. CCWD and the Local Agency Partners who do not choose to withdraw will work together to develop an amendment that substantially conforms to this Agreement. If no mutually agreeable amendment can be developed, the remaining Parties will terminate this Agreement.
 - (v) If a new Local Agency Partner is added, consistent with Section 12 of this Agreement, before the second invoice, the second invoice for each Local Agency Partner will be adjusted to reflect the cost share of the new partner and the total number of Local Agency Partners.
 - (vi) If funds remain after work under this Agreement is completed, each Local Agency Partner will determine whether its pro-rata share of the remaining funds shall be returned or contributed to future work consistent with Section 7 of this Agreement. Each Local Agency Partner shall advise CCWD of its determination within 60 days of receiving notice from CCWD of the completion of the work, or the remaining funds shall automatically be contributed towards future work.
 - (vii) In-kind services may include labor costs and overhead costs for staff who are providing in-kind services for Project activities under this Agreement,

including but not limited to data collection, document review, communications, stakeholder outreach, management of third-party consultant contracts, and attending Project meetings. In-kind services will contribute toward the non-State funding match required by the Early Funding Agreement, as it may be amended from time to time. In-kind services, pursuant to Section 2.7(d) of this Agreement, are contributed at the discretion of each Local Agency Partner with no minimum or maximum in-kind contribution limits.

5. Section 5 (Term)

Shall be amended such that the following term shall supersede and replace the corresponding term in the Agreement in its entirety:

This Agreement shall be effective as of the date first written above and shall terminate on the earlier of the completion of the work contemplated herein or December 31, 2021, unless the Term is modified consistent with Section 17 of this Agreement.

8. Section 10 (Early Funding Agreement)

Shall be amended such that the following term shall supersede and replace the corresponding term in the Agreement in its entirety:

Early funding, in the amount of \$13.65 million, which is equal to fifty percent of the estimated total planning and permitting costs, was approved by the California Water Commission on July 24, 2018. The Early Funding Agreement was amended on ##, 2020 to increase the total funding available from the California Water Commission from \$13.65 million to \$22.95 million. The Amendment to the Early Funding Agreement, which is attached hereto in Exhibit E-2, requires a fifty percent (50%) funding match from non-State entities (“Non-Program Cost Share”). The Local Agency Partners hereby agree to cooperate in good faith with CCWD to reasonably assist CCWD in its compliance with the Early Funding Agreement. Without limiting the generality of the foregoing, each Local Agency Partner agrees to provide information and access to records in all forms as may be necessary to facilitate CCWD’s compliance with all reporting and audit requirements of the Early Funding Agreement, including but not limited to information necessary to adequately document the Non-Program Cost Share.

9. Section 11 (Federal Funding)

Shall be amended such that the following term shall supersede and replace the corresponding term in the Agreement in its entirety:

Federal appropriations in Federal Fiscal Year 2020 allocated \$2.155 million to Reclamation to complete pre-construction activities for the Project. Reclamation recommended \$7.845 million for the Project in Federal Fiscal Year 2021. With support from the Local Agency Partners, CCWD is seeking a total of \$223 million in federal funding for design, pre-construction, and construction activities through the Water

Infrastructure Improvements for the Nation (WIIN) Act or other federal legislation. If federal funding for the Project is appropriated by Congress, Reclamation would receive the requested funding and the funds would support Reclamation's staff and consultant team and the federal permitting process. Reclamation and the CCWD may enter into a funding agreement that would provide funding to CCWD for staff and consultants to complete design and pre-construction activities. Some portion of the federal funds may be directly applied to the scope of work contained in Exhibit A-2. The federal funds could be credited towards any Non-Program Cost Share as required in the Early Funding Agreement as described in Section 10 of this Agreement.

Effective date of Amendment No. 2.

Amendment No. 2, including the financial contribution provisions herein, shall be effective as to CCWD and each Local Agency Partner as of the date of signature by CCWD and each subsequent Local Agency Partner signatory.

This Amendment No. 2 may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute on and the same Amendment No. 2.

Robert Shaver, General Manager
Alameda County Water District

Date

Nicole Sandkulla, CEO / General Manager
Bay Area Water Supply and Conservation Agency

Date

Stephen J. Welch, General Manager
Contra Costa Water District

Date

Clifford Chan, General Manager
East Bay Municipal Utility District

Date

Ric Ortega, General Manager
Grassland Water District

Date

Harlan L. Kelly, Jr., General Manager
San Francisco Public Utilities Commission

Date

Federico Barajas, Executive Director
San Luis & Delta-Mendota Water Authority

Date

Rick Callender, Chief Executive Officer
Santa Clara Valley Water District

Date

Valerie Pryor, General Manager
Zone 7 Water Agency

Date

Draft Exhibit A-2

Amendment No. 2 Scope of Work

The following tasks describe the work efforts by Contra Costa Water District (CCWD), consultants for the Los Vaqueros Reservoir Expansion (LVE) Project, and the Local Agency Partners (as indicated) under this Amendment No. 2 to the Agreement. References to work efforts by Reclamation are described as appropriate to describe joint work efforts, but are not intended to imply that Reclamation is a party to this Amendment. CCWD will be supported by the consultant and legal services team that are under contract to CCWD and managed by CCWD.

Task 1 Project Management

Task 1 CWC Early Funding Agreement Administration

Administer the Early Funding Agreement executed by CCWD and the California Water Commission (CWC), including meeting reporting and invoicing requirements of the Agreement, coordinating with CWC staff as needed to respond to questions and data requests, and managing cost commitments. Provide financial statements and other supporting documentation as requested by the CWC staff pertaining to the Early Funding Agreement.

Pursuant to the Early Funding Agreement, prepare quarterly progress reports detailing work completed in prior quarter in accordance with Water Storage Investment Program (WSIP) requirements. Progress reports will explain the status of the Project and will include the following information: summary of the work completed for the project during the reporting period; activities and milestones achieved; and accomplishments and any problems encountered in the performance of work.

Prepare monthly invoices meeting the invoice content terms of the Early Funding Agreement, including relevant supporting documentation for submittal to the CWC and Reclamation. Coordinate with consultants and Local Agency Partners to prepare and submit sufficient backup documentation to support claimed costs.

Deliverables:

- Invoices and associated backup documentation
- Quarterly Progress Reports (for CWC and Reclamation)

Task 1.2 Project Management Activities

This task includes project management activities performed by CCWD, local agency partners, consultants, and other agencies related to, but not limited to, managing staff, invoicing, budgeting, scheduling, reviewing submittals, meetings and conference calls, and coordinating project activities that are within the objectives of the Project and of this Agreement.

Deliverables:

- Summary updates on project management activities in Quarterly Progress Reports

Task 1.3 Joint Powers Authority Formation

Selection of legal counsel to assist the Local Agency Partners and CCWD in forming a Joint Powers Authority (JPA) was completed previously. Legal counsel will assist in implementing JPA formation through development of a joint powers agreement.

Develop Project term sheet to identify roles of the JPA and Local Agency Partners, as well as outline major terms of existing agreements amongst CCWD and the Local Agency Partners. Based on the Project term sheet, engage special counsel to develop a joint powers agreement. Conduct meetings and workshops as necessary with Local Agency Partners to negotiate terms.

Legal counsel will work with the legal workgroup to develop draft service agreements.

Deliverables:

- Joint selection of special counsel (completed)
- JPA Agreement (in progress)
- Term sheet (in progress)
- Draft services agreements

Task 2 Environmental Planning**Task 2.1 Modeling**

Modeling tasks to support preparation of the Final Supplement to the Final EIS/EIR were completed previously. Develop new or modify existing modeling tools so that operations or limitations of the governance structure of the JPA can be evaluated in terms of benefits to partners. Refine the model to track terms and requirements of various water rights. Re-build or refine the Los Vaqueros daily operations model to accommodate partner operations, which may serve as a tracking tool in the future for permit reporting, billing, scheduling deliveries, etc.

Deliverables:

- Revised CalSim Model
- Summaries of modeling results

Task 2.2 Public Outreach

Perform outreach activities to educate and inform the media, elected officials, CCWD ratepayers, communities in the Los Vaqueros area, environmental organizations, and regional and statewide interests about the purpose, objectives, and results of the technical studies.

Respond to routine stakeholder comments. Post responses as appropriate to the CCWD hosted project website at ccwater.com or share with stakeholders in informal meetings.

A public meeting was previously held in Concord to support the CCWD Board of Directors' certification of the Final Supplement, approval of a project, and adoption of CEQA Findings and MMRP.

Deliverables:

- Stakeholder and public involvement program
- Documentation of outreach activities
- Public meeting(s) for Final Supplement to the Final EIS/EIR (completed)
- Public meetings to support Record of Decision if necessary

Task 2.3 Environmental Document and Technical Studies

The U.S. Department of the Interior, Bureau of Reclamation, Region 10 – California-Great Basin (Reclamation) is the lead agency under the National Environmental Policy Act (NEPA) for preparation of the EIS and, in conjunction with CCWD, the lead agency under CEQA. Reclamation and CCWD previously prepared a joint Final EIS/EIR in March 2010 and CCWD completed construction of the first phase of reservoir expansion from 100,000 acre-feet (100 TAF) to 160 TAF in 2012. Reclamation and CCWD previously prepared a joint Supplement to the Final EIS/EIR document to support the second phase of reservoir expansion up to 275 TAF.

The development of the Supplement to the Final EIS/EIR, including the completion of the necessary technical studies in support of this effort culminating with issuance of the Supplement, were previously completed. The studies and data produced adhered to the federal planning and NEPA guidelines, CEQA guidelines, and WSIP guidance. Technical studies were conducted in accordance with the alternatives identified in the Draft Supplement.

All agency meetings and technical workgroup meetings required to support the environmental document and studies are described in Task 1.2 and Task 2.2.

(2.3.1) Post-Draft Supplement Technical Studies and Surveys

This task has been completed.

(2.3.2) Transfer-Bethany Pipeline Alternative Location Evaluation

This task has been completed.

(2.3.3) Final Supplement to the Final EIS/EIR

This task has been completed.

(2.3.4) CEQA Findings and Mitigation Monitoring and Reporting Plan

This task has been completed.

(2.3.5) Record of Decision

It is anticipated that Reclamation will issue a Record of Decision on the Project during the term of this Amendment. CCWD will provide support to Reclamation with any necessary reporting, public meetings, briefings, white papers, and/or presentations.

Deliverables:

- Record of Decision

Task 2.4 Regulatory Permitting

Prepare documentation of environmental regulatory compliance including the Clean Water Act (CWA) Section 404(b)(1), CWA Section 401, the Federal Endangered Species Act (Section 7), the California Endangered Species Act, Section 1602 of the California Fish and Game Code, the National Historic Preservation Act (NHPA Section 106), and the Fish and Wildlife Coordination Act (FWCA). When possible or beneficial, obtain amendments to existing permits and excess compensation land acquired/managed during the Phase 1 expansion. If not possible to amend existing permits, seek new permits. Coordinate with regulatory agencies to confirm when amendments will be appropriate. In support of this task, several key work efforts (described below) will be completed.

Conduct reconnaissance-level biological field surveys of any new project areas (if any) to identify the potential for the presence of sensitive biological resources. Conduct a desktop analysis including a database search of the California Natural Diversity Data Base (CNDDDB), California Native Plants Society's Inventory of Rare and Endangered Plants, USFWS species lists, and NMFS species lists in order to determine the potential occurrence of special-status plants, animals, and vegetation communities. Conduct site-specific biotic assessments to identify biological resources that are present or have a high likelihood to occur in the study area, and to assess the likely impacts associated with construction and/or long-term operations of the proposed project on biological resources. The results of the reconnaissance survey and analysis will be used to inform the CEQA/NEPA documentation, regulatory permitting documents, and resource agency review.

Prepare the regulatory permit applications for the proposed project. Attend meetings with regulatory agencies. Develop supporting technical reports, as needed, to support preparation of proposed permit applications. Permit applications and supporting documents to be prepared in support of the project may include: Biological Assessment for Federal Endangered Species Act compliance and Magnuson Stevens Fisheries Conservation and Management Act compliance; Clean Water Act Section 404/Section 10 Individual Permit Application; Clean Water Act Section 401 Clean Water Act Water Quality Certification Application; California Fish and Game Code Section 1602 Streambed Alteration Agreement Application; Section 2081 California Endangered Species Act Incidental Take Permit Application; Fish and Wildlife Coordination Act Report; National Historic Preservation Act Section 106 compliance; and Aquatic Resources Delineation.

Deliverables:

- Rare plant surveys and report of results (completed)
- Wetland delineation and mapping, report of results (completed)
- Administrative Draft Supplement to the Final EIS/EIR (completed)
- Final Supplement to the Final EIS/EIR (completed)
- Draft CEQA Findings and MMRP (completed)
- Final CEQA Findings and MMRP (completed)
- Permit applications and supporting technical reports, as applicable

Task 2.5 Water Rights Permitting

Coordinate with Reclamation, the Department of Water Resources (DWR), Local Agency Partners, and the State Water Resources Control Board (State Board) regarding changes to existing water rights. Prepare petitions for change for CCWD's water right permit and assist Reclamation, DWR, and Local Agency Partners with preparation of change petitions as required. File petitions with the State Board, assist State Board staff with drafting orders and permit amendments as required, respond to any protests that may be filed and seek resolution of those protests, prepare for and participate in hearings as required.

Deliverables:

- Change petition on CCWD water right
- Change petition on CVP water rights
- Change petition on DWR water rights
- Change petition on Local Agency Partners' water rights as required

Task 2.6 Land Transactions

Identify and contact the landowners of parcels that will be surveyed for Task 2.3.1, Task 2.3.2. Acquire the appropriate land rights to gain access to the properties. Identify potential mitigation lands as needed for Task 2.4. Determine preliminary appraisal value of potential mitigation lands. Initiate discussions to obtain right-of-way for Transfer-Bethany Pipeline. Acquire options to acquire mitigation lands with the concurrence of the Local Agency Partners.

Deliverables:

- Entry permits and temporary easements on properties needed for technical surveys
- Identification and preliminary appraisal of potential mitigation sites
- Discussions regarding right-of-way for Transfer-Bethany Pipeline

Task 2.7 Final Award Hearing Requirements

A series of agreements will be needed to meet the final award hearing requirements of the California Water Commission. Progress on a number of agreements will commence during the term of this amendment. The agreements necessary to get to the final award hearing may include but are not limited to: operations coordination agreements with Reclamation and the Department of Water Resources; conveyance agreements with DWR to convey water from the Project through the California Aqueduct and the South Bay Aqueduct; contracts for administration of public benefits; a cost share

agreement with Reclamation for pre-construction activities; agreement with DWR for the design and construction of the Transfer-Bethany Pipeline connecting to SWP facilities; agreement with the JPA for design and construction of Project conveyance facilities and the expanded Los Vaqueros Reservoir dam; agreement between CCWD and EMBUD for provision of emergency water supplies during construction.

Deliverables:

- Operations coordination agreement(s) with Reclamation and DWR
- Conveyance agreement(s) with DWR
- Contracts for administration of public benefits
- Cost-share agreement with Reclamation
- Design and construction agreement with DWR
- Design and construction agreement with the JPA
- Emergency water supply during construction agreement with EBMUD

Task 3 Engineering Feasibility

Task 3.1 Financial Evaluation

Perform a financial evaluation that will assess the costs and merits of the Project.

Clean Energy Capital will further develop an excel-based Proforma Financial Model for the Project that incorporates water pricing options and integration with CalSim model. Perform stakeholder meetings and workshops; collect and review stakeholder and local partner comments and inputs to the model. Refine model as additional information arises that may affect the local agency partners, operations, water pricing, or other financial components of the Project. Clean Energy Capital will work directly with Local Agency Partners, as needed, to support each agency’s understanding and familiarity with the financial evaluation.

ACWD will retain Bartle Wells Associates, an independent financial consultant, to further support evaluation of the usage fees CCWD and EBMUD have developed for use of their assets and infrastructure. Clean Energy Capital will also be available to support the independent financial review of the usage fees.

Create a Plan of Finance describing the proposed financing structure and assumptions for financing the Project. The Plan of Finance will take into consideration appropriate debt structures, timing, impact on rates, budgeting, credit ratings, tax laws, availability of grants and other State and Federal funding, and assessment of capital market conditions. Evaluate the funding capabilities of a JPA and associated contractual requirements for partners receiving and paying for services.

Deliverables:

- Updated Proforma Financial Model
- Further support for evaluation of Refined Usage Fees (as required)
- Plan of Finance

Task 3.2 Federal Feasibility Study

The Final Federal Feasibility Report was completed in 2020, however it has not been published yet. The Secretary of the Interior and/or Congress may continue to evaluate federal participation in the Project throughout the term of this Amendment.

Additional work may be necessary to secure federal support for the Project and future congressional budget appropriations. CCWD and Local Agency Partners will also provide support to Reclamation with any post-feasibility report requirements as needed.

Deliverables:

- Final Federal Feasibility Study (completed)
- Updated fact sheets for meetings with elected officials
- Updated federal funding and budget requests
- Post-feasibility report support

Task 3.3 Preliminary Design

(3.3.1) Pumping Plant No. 1

Preliminary design technical evaluations are being completed by CCWD as part of CCWD's Canal Replacement Project. Following completion of preliminary design, additional design development and evaluations must be completed in support of permitting and developing inter-agency agreements, including field work, site facility layouts, and development of electrical design sufficient for coordination with the Western Area Power Administration (WAPA) and other design development in order to maintain progress to allow construction consistent with the Project schedule.

Deliverables:

- Pumping Plant No. 1 Preliminary Design Report
- Facility layout drawings
- Electrical System Improvements Plans
- Principles of Agreement with WAPA

(3.3.2) Los Vaqueros Dam

This task includes work efforts related to design of the Los Vaqueros Dam expansion to gain Division of Safety of Dams (DSOD) authorization to construct. Design-related tasks may include, but are not limited to, reporting, investigations, testing, analysis, and surveys; geotechnical investigations and reporting; stability and deformation analysis; design of earthquake ground motions and parameters, spillway, outlet works, new emergency release outlet, tunnel/portal, transfer pipeline connection, and dam instrumentation; constructability review, value engineering, risk analysis, and feasibility studies; DSOD meetings and correspondence; and design of site restoration for the core borrow area. This task includes formation of a Technical Review Board for independent review of the dam consultant's work in accordance with DSOD guidelines.

Deliverables:

- LV Dam 50% (completed), 90% Final Drawings and Specifications
- LV Dam 50% (completed), 90% Final Cost Estimate/Schedule

(3.3.3) Transfer-Bethany Pipeline

CCWD will competitively procure an engineering consultant to continue pipeline alignment evaluations resulting from continued coordination with local resource and transportation agencies. CCWD will work with Contra Costa County Public Works and the Contra Costa Transportation Authority and their ongoing regional transportation planning for the Vasco Road widening and the State Route 239 Connector and will evaluate alignment adjustments as needed. CCWD will work with resource agencies to evaluate implications of alignment modifications and construction methods and associated mitigation and land needs along the alignment south of Vasco road in support of coordination with the East Contra Costa Habitat Conservation Plan and the County. CCWD will coordinate with the Department of Water Resources to review and define design criteria and to develop designs of the turn-in to the California Aqueduct, and will review available geotechnical information and define pipeline corridor within State owned lands. Topographic survey will be completed with up-to-date aerial photography. Preliminary design of the pipeline and turn-in will be developed. CCWD will prepare a geotechnical work plan and initial assessment of land acquisition needs.

Deliverables:

- Alignment Adjustment Evaluations TM
- Transfer-Bethany Pipeline Preliminary Design Report
- Topographic Survey
- Geotechnical Work Plan
- Assessment of Pipeline Land Acquisition Need

(3.3.4) Operation and Reliability Assessment

Complete a risk assessment of CCWD's existing and planned facilities and their operation as a system to confirm appropriate criteria are developed for reliability, redundancy and viability of long-term operations to meet the Project objectives. The assessment will consider the range of operations and future scenarios that consider planned and unplanned shutdowns and other events that might affect performance of the system and the economic implications.

Deliverables:

- CCWD facilities and system operation risk assessment

Draft Exhibit B

Budget and Cost Share

The budget for Amendment No. 2 to the Agreement covers three major tasks: project management, environmental planning, and engineering feasibility. The total budget includes projected costs for legal and consulting services, CCWD staff in-kind services, Local Agency Partner in-kind services, and Reclamation expenses. The total cost for the scope of work listed in Exhibit A-2 is \$17,832,667 (original MPA total \$11,623,400) and is shown in Table 1.

(3. Table 1. Amendment No. 2 to the Multiparty Agreement (MPA) Budget

Task No.	Description	Original MPA	Amendment No. 2	Total
1	Project Management	\$1,090,600	\$2,302,400	\$3,393,000
2	Environmental Planning	\$3,777,400	\$5,368,967	\$9,146,367
3	Engineering Feasibility	\$6,755,400	\$10,161,300	\$16,916,700
	Total	\$11,623,400	\$17,832,667	\$29,456,067

The total cost to complete the scope of work, \$17,832,667 will be paid through a combination of in-kind services, contributions from Reclamation (pursuant to 2015 Cost Share Memorandum of Understanding between Reclamation and CCWD), reimbursement from the California Water Commission (CWC), and contributions from CCWD and the Local Agency Partners.

To calculate the amount owed by CCWD and the Local Agency Partners, the total cost is reduced by contribution from the CWC, Reclamation, CCWD in-kind services funded by CCWD, the Local Agency Partner's in-kind services, and the projected carryover of unspent funds from the original MPA. The CWC contribution includes fifty percent (50%) of the total cost, less 10% retention; the total CWC contribution therefore is estimated to be \$8,024,700.

The costs remaining after accounting for contributions from CWC, Reclamation, CCWD in-kind services, and Local Agency Partner in-kind services is \$6,081,967 as shown in Table 2. This is equal to the Total Cost share defined in Section 3(a) of the Agreement as amended and will be split equally among CCWD and the Local Agency Partners, excluding Grassland Water District which will provide in-kind services only. The ultimate cost per agency depends on the total number of Local Agency Partners that proceed and execute this Amendment. Four equal invoices are proposed over the amended term of the Agreement for CCWD and each Local Agency Partner. Table 3 shows the invoice schedule and the total costs per agency varying by the total number of agencies participating.

(4. Table 2. Amendment No. 2 to the Multiparty Agreement Cost Allocation

Total Projected Costs	\$17,832,667
less Reclamation Cost	-\$2,155,000
less CCWD in-kind services (portion funded by CCWD)	-\$441,000
less partner in-kind services	-\$980,000
less projected carryover of unspent funds from original MPA	-\$150,000
less projected CWC Invoice payments	-\$8,024,700
Remaining Cost Required from Local Agency Partners & CCWD	\$6,081,967

Table 3. Invoice schedule where each invoice equals 25 percent of total costs per agency

		Invoice #1	Invoice #2	Invoice #3	Invoice #4
	Total Cost Per Agency	Upon Execution	November 2020	March 2021	July 2021
8 Agencies	\$760,246	\$190,061	\$190,061	\$190,061	\$190,061
7 Agencies	\$868,852	\$217,213	\$217,213	\$217,213	\$217,213
6 Agencies	\$1,013,661	\$253,415	\$253,415	\$253,415	\$253,415

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WATER STORAGE COMMITTEE
AUGUST 20, 2020

Los Vaqueros Expansion Project



Project Cost Share

2019 MULTI-PARTY AGREEMENT

- Local Agency Partners (LAPs) executed on April 2019, committing Valley Water to \$314,782.

AMENDMENT #1

- LAPs executed on June 2020, extends agreements through December 2020 (no additional cost commitment).

AMENDMENT #2

- Agreement extension through December 2021.
- Revised scope of work.
- Additional cost share for calendar year 2021 project costs.

AMENDMENT 2 – Additional Cost Share

- Estimated cost of \$7.2 million – Valley Water’s share is estimated between \$800 thousand to \$1 million
 - Four payments: September & November 2020, March & July 2021
 - Withdrawal from agreement terminates cost share commitment for all future payment(s)
- Final cost share amount depends on the number of LAPs and the allocation approach
- LAP participation decision requested by September 30, 2020

Cost share will fund:

1. JPA formation
2. Preparation of service agreements
3. Permits and agreements necessary to secure full WSIP funding
4. Operational or conveyance issues identified by LAPs (e.g., SBA capacity)
5. Preliminary LVE Project design
6. Other critical path items as required



Santa Clara Valley Water District

File No.: 20-0653

Agenda Date: 8/21/2020

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM

Water Storage Exploratory Committee

SUBJECT:

Second Amendment to 2019 Reservoir Project Agreement for Continued Participation in the Sites Reservoir Project

RECOMMENDATION:

- A. Receive update and report on the Sites Reservoir Project;
- B. Recommend to Board to authorize the Chief Executive Officer to execute the Second Amendment to 2019 Reservoir Project Agreement with Sites Project Authority and the Project Agreement Members for a minimum participation level of 3.2 percent of the total project and a minimum funding commitment of up to \$0.78 Million;
- C. Recommend to Board to Direct Valley Water staff to continue engagement in Sites Reservoir Committee and negotiate future parameters for participation.

SUMMARY:

On July 13, 2020, the Santa Clara Valley Water District's Water Storage Exploratory Committee (Committee) received an update and report on the Sites Reservoir Project (Sites Project). The Committee requested staff to provide additional information to continue discussions on the Second Amendment to 2019 Reservoir Project Agreement with Sites Project Authority (Second Amendment) and evaluation of Valley Water's level of participation including lowest credible level of participation in the Sites Project. For reference, a copy of the July Committee Agenda Memorandum and Second Amendment is provided as Attachment 1 and Attachment 2 respectively. Participants are requested to execute the Second Amendment by September 10, 2020. Execution of the agreement would obligate Valley Water to contribute funds to support continued Phase 2 work activities from June 2020 through December 2021 (Phase 2, Year 2 and 3) based on a specific participation level.

Several Valley Water directors have expressed interest in Valley Water taking a leadership position, such as membership in the Sites Project Authority. A leadership position may associated with a significant level of financial participation and/or perhaps a role building on Valley Water's knowledge and strong engagement in issues surrounding the Central Valley Project, State Water Project, and Delta science programs. For reference on financial participation, the Preliminary Amendment 2 Participation Table in Attachment 3 shows that staff in the top third of participants will each recommend a participation level of at least 10,000 AF (4.1% of total project costs) to their Boards. Valley Water staff has evaluated participation requests ranging from 7,800 AF (3.2% of total project costs) to 16,000 AF (6.6% of total project costs). Staff recommends continuing participation in the Sites Project at a participation level of at least 7,800 AF. A 7,800 AF participation level would commit Valley Water to \$0.78 million in contributions through December 2021, which would represent a 3.2%

participation in terms of total project costs. It would be slightly lower than that of the top third of participants. If sustained, it would also be a relatively low future commitment to the project given the amount of water supply (approximately 1.5%) when scaled to Valley Water’s aggregate supply from all sources, and given the staff ongoing administrative cost necessary for proper engagement with the project to assure effective project operations and management. This participation request would provide 4,700 to 6,100 AF of average annual yield south of the Delta to Valley Water if the project were constructed.

Background

Two participation approaches for the next phase of funding are presented in Table 1, while Table 2 provides advantages and disadvantages for each option:

1. Option A: Maintain Valley Water’s current level participation level in terms of total project costs (3.2%) and anticipated share of water delivered to Valley Water after losses (4,700 to 6,100 AF per year).
2. Option B: Maintain Valley Water’s current estimated share of project yield in terms of requested NOD yield (16,000 AF) and anticipated share of water delivered to Valley Water after losses (9,600 to 12,400 AF per year).

The Sites Project is composed of a two-tiered governance structure composed of a Joint Project Authority (JPA) and a Reservoir Committee, whose authority is delegated by the JPA. Valley Water is working to develop opportunities and secure a position on this JPA, the ultimate governing body that will own and operate the reservoir. Through participation in the Second Amendment, Valley Water would maintain participation in the Reservoir Committee. The Reservoir Committee is tasked to develop recommendations for continued governance of the project.

Participation and level of influence in the Reservoir Committee decisions is based on a weighted voting amongst participants. For the Committee’s convenience, a copy of the current public water agency participation levels and weighted voting rights, as contained in Exhibit A to the 2019 Reservoir Project Agreement and first amendment, is provided in Attachment 4. Attachment 3 shows the participation levels that other participants are planning to recommend to their Boards, with the top third of participants recommending a participation request of at least 10,000 AF (4.1% of total project costs).

Table 1: Comparison of Participation Options

	Last Board Decision (February 26, 2019) -- larger project no longer pursued	Option A	Option B

		Maintain 3.2% of Participation in Total Project	Maintain Estimated Share of Project Yield
PROJECT DESCRIPTION			
Total Capital Cost (2019 Dollars) ¹	\$6 Billion	\$3 Billion	\$3 Billion
Reservoir Size (MAF)	1.8	1.5	1.5
Total Estimated Project Annual Yield (AF)	500,000	240,000	240,000
PARTICIPATION SIZE			
Valley Water Participation in Total Project	3.20%	3.20%	6.60%
Valley Water Participation Request (AF) ²	16,000	7,800	16,000
Valley Water Participation in Project Agreement Member Share	8.30%	4.10%	8.30%
ESTIMATED BENEFITS (STORAGE AND YIELD)			
Valley Water Average Delivered Yield (AF) ⁴	11,100	4,700 to 6,100	9,600 to 12,400
Valley Water Average Dry/Critical (Drier) Year Delivered Yield (AF) ⁴	21,500	6,500 to 8,200	13,200 to 16,800
Valley Water Storage Share (AF) ³	55,000	45,000	90,000
FUNDING			
Valley Water Share of Total Capital Cost (2019 Dollars)	\$192 Million	\$97 Million	\$195 Million
Valley Water Share of Total Capital Cost (Fully Inflated Dollars) ⁵	\$242 Million	\$125 Million	\$255 Million
Estimated Levelized Unit Cost (constant 2020 dollars per AF of delivered yield) ⁶	Not available	\$600/AF - \$800/AF	\$600/AF - \$800/AF
Valley Water Funding Commitment⁷	\$0.96 Million	\$0.78 Million	\$1.60 Million

¹ During the last Board decision, capital cost was reported in 2015 dollars. For comparison with estimates for the new project description, these have been escalated up to 2019 dollars using the USBR CCT Composite Trend Indices per recommendation from Jeff Herrin (Sites Consultant, AECOM). The reported 2015 dollar values were \$5.5 billion for the total project and \$177 million for Valley Water's Share.

² This participation request is a value requested by the Sites Project managers and is used by them as a tool to calculate participation levels relative to other participants. Actual annual yield of the project is different and variable.

³ Share of storage is a rough estimate. Sites participants have not had a complete discussion regarding allocation of storage, but currently adopted Sites storage policy indicates storage rights will be in proportion to participation level.

⁴ Yields delivered to Valley Water assume a 25% carriage water loss applied to North of Delta (NOD) yield numbers. Yield numbers are very rough and are subject to change. The yield projected for a 3.2% participation level in February 2019 was 8,000 AF; this number has been updated to 11,000 AF in the table to reflect updated modeling assumptions.

⁵ Total Capital Cost published by the Sites Project were fully inflated by Valley Water financial staff to determine nominal construction costs.

⁶ Calculated using Valley Waters 100-year life cycle cost methodology. Inputs based on financial model used in Sites Value Planning Report, with additional conservative assumptions used for Capital Improvement Program Projects.

⁷ Sites is requesting funding for the next phase of work, which will begin September 1, 2020, and run through December 2021.

Note that these yield amounts available to Valley Water are new water, not otherwise available to Valley Water, for example, through other projects currently being considered. Ultimately the amount of project yield and benefit that is usable by Valley Water depends on the portfolio of water supply projects Valley Water ultimately implements as guided by the Water Supply Master Plan (WSMP); the outcome of negotiations among water agency participants, DWR, and Reclamation; the outcome of ongoing regulatory processes; and refinements of Sites Project operations to reflect storage benefits and updated operational constraints. Additional modeling refinements are currently being implemented to better estimate potential yields and benefits.

The location of Sites Reservoir north of the Delta poses challenges when conveying Sites' project yield across the Delta. In critically dry years, water quality issues may limit export pumping and shorten the window during which water may be delivered, and water losses across the Delta may be high. If Valley Water were to ultimately invest in the Sites Project, these risks could be reduced by also investing in conveyance improvement projects such as the Delta Conveyance Facility or the Transfer Bethany Pipeline (part of the Los Vaqueros Expansion Project).

Table 2: Participation Option Advantages/Disadvantages

Option	Valley Water Participation Level ¹	Advantages	Disadvantages
A	3.2% (\$0.78 M)	<ul style="list-style-type: none"> • Lower cost than previous funding commitments • Potential for partial refund of previous investments 	<ul style="list-style-type: none"> • Reserves a smaller portion of yield and storage benefits (8 TAF drier year yield, 45 TAF storage) • Reduced level of influence, 4.4% weighted voting on Reservoir Committee² • May be difficult to increase participation at a later date
B	6.6% (\$1.6 M)	<ul style="list-style-type: none"> • Maintain current level of influence, 6.5% weighted voting on Reservoir Committee² • Reserves a larger portion of yield and storage benefits (17 TAF drier year yield, 90 TAF storage) • Participation level may be reduced later 	<ul style="list-style-type: none"> • Higher cost

¹ Valley Water participation level in total project and associated funding commitment for the Second Amendment.

² Estimate assumes continued participation by all agencies with a total participation equal to 192,892 acre-foot.

Another option to consider is withdrawing completely from the project by not executing the Project Agreement. However, doing so would result in no preservation of benefit, and, because the project size has decreased, there is a greater probability that it may proceed without Valley Water's support. In this case, it would be more difficult for Valley Water to rejoin the project at a later date.

Project Funding

Execution of the Second Amendment would obligate Valley Water to provide funding for continued work on Phase 2 of the Sites Project and provide Valley Water with a continuing seat on the Reservoir Project Committee (Reservoir Committee) through December 2021. The total Second Amendment budget, for Phase 2 Year 2 and 3, is roughly \$40 million, with about \$19 million of this to be funded by water user participants that comprise the Reservoir Committee. The remaining budget is expected to be funded using Proposition 1 early funding and funds secured from provisions under the WIIN Act.

The allocation of costs to the Reservoir Committee members is outlined in the Second Amendment. Maintaining Valley Water's participation level of 3.2 percent of total project, Option A, would commit Valley Water to provide \$0.78 million in funding; a participation level of 6.6 percent of total project, Option B, would commit Valley Water to provide \$1.6 million in funding. The FY2021 Imported Water Program, Project No. 91131004 budget, includes \$1.6 million to support continued participation in this project.

ATTACHMENTS:

- Attachment 1: Committee Agenda Memo - July 13, 2020
- Attachment 2: Second Amendment
- Attachment 3: Preliminary Amendment 2 Participation Table
- Attachment 4: Exhibit A - Project Agreement Members
- Attachment 5: PowerPoint
- Attachment 6: Sites Authority Board Letter

UNCLASSIFIED MANAGER:

Jerry De La Piedra, 408-630-2257



Santa Clara Valley Water District

File No.: 20-0540

Agenda Date: 7/13/2020

Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM

Water Storage Exploratory Committee

SUBJECT:

Second Amendment to 2019 Reservoir Project Agreement for Continued Participation in the Sites Reservoir Project

RECOMMENDATION:

- A. Receive update and report on the Sites Reservoir Project;
- B. Recommend to Board to authorize the Chief Executive Officer to execute the Second Amendment to 2019 Reservoir Project Agreement with Sites Project Authority and the Project Agreement Members for a participation level of up to 6.6 percent of the total project and a funding commitment of up to \$1.6 Million;
- C. Recommend to Board to Direct Valley Water staff to continue engagement in Sites Reservoir Committee and negotiate future parameters for participation.

SUMMARY:

In 2019, the Santa Clara Valley Water District's (Valley Water) Board of Directors (Board) authorized the Chief Executive Officer to execute an agreement and subsequent first amendment to participate in Phase 2 of the Sites Reservoir Project (Sites Project). That agreement expired on June 30, 2020. The Sites Joint Powers Authority (JPA) is offering Valley Water the opportunity to continue participating in the Sites Project by executing the Second Amendment to the 2019 Reservoir Project Agreement (Attachment 1, Second Amendment), which will cover extended Phase 2 work and planning efforts to develop the Sites Project through December 2021.

Participants are requested to execute the Second Amendment by September 10, 2020. Execution of the agreement would obligate Valley Water to contribute funds to support continued Phase 2 work activities from June 2020 through December 2021 (Phase 2, Year 2 and 3) based on a specific participation level. Staff has analyzed two approaches for Valley Water's continued participation, summarized in Table 1. Table 2 provides advantages and disadvantages for each option. Staff recommends to continue participation in the Sites Project at a participation level that would maintain Valley Water's estimated share of water supply yield from the project, equivalent to up to 6.6 percent of total project and roughly 9.6 to 12.4 thousand acre-foot (TAF) of average annual yield, at a total fee of up to \$1.6 million.

Background

The Sites Project is a proposed off-stream reservoir that would be located north-of-Delta (NOD), approximately 10 miles west of the town of Maxwell in Colusa County. The Sites Project would collect

winter flood flows from the Sacramento River with the objective of increasing water supply certainty while ensuring in-stream flows that benefit the Delta ecosystem. The Sites Project is identified in Valley Water's Water Supply Master Plan (WSMP) as a potential alternative to help secure Delta-conveyed supplies. The Sites managers anticipate that the Sites Project will be cooperatively managed in conjunction with both the State Water Project (SWP) and Central Valley Project (CVP) and will increase the flexibility, reliability and resiliency of statewide water supplies in drier years for environmental, agricultural, and urban uses.

The Sites Project is envisioned to progress in a five phase approach:

- Phase 1 - California Water Storage Investment Program Planning (Proposition 1) funding application and EIR/EIS development. Completed in 2018;
- Phase 2 - EIR/EIS completion, predesign, critical permits, and water rights. In progress;
- Phase 3 - Final design, land and right of way acquisition, and remaining permits;
- Phase 4 - Construction; and
- Phase 5 - Transfer to Operations

Since 2016, Valley Water has been participating in the Sites Project. On February 26, 2019 the Board approved continued participation in the Sites Project Phase 2 Year 1 at a targeted participation level of up to 3.2 percent, (i.e., funding 3.2 percent of total project costs to preserve rights to 3.2 percent of total project benefits).

Accomplishments of the Sites Project Phase 2 Year 1 (2019) work includes:

- Securing an additional \$6 million in Congressional appropriations from the Water Infrastructure Improvements for the Nation (WIIN) Act, bringing total to \$10 million;
- Adoption of a Sites Storage Policy which better defines storage benefit to project participants and outlines rules of use;
- Completion of a Value Planning Alternatives Appraisal; and
- Sites Project specifically named in the Governor's 2019 Water Resilience Draft Portfolio - a plan to provide reliability and resiliency to statewide water supplies.

In April 2020, a Sites Project Value Planning Alternatives Appraisal Report (VPAA Report) was finalized as part of the Sites Project Phase 2 Year 1 work (February 2019 thru June 2020). The purpose of this report was to support planning efforts to continue development of the Sites Project, inform expectations on diversion permits and water rights, and shape investor participation. This report evaluates several project alternatives for reservoir sizes, conveyance capacities, and participant subscriptions. The recommended project alternative, referred to as VP7, includes a 1.5 million acre-foot (MAF) reservoir storage capacity with an estimated yield ranging from 190,000 to 240,000 acre-foot (AF), at an estimated project cost of \$3 billion (2019 Dollars). Reducing the size of

the reservoir was responsive to input from state and federal agencies, non-government organizations, elected officials, landowners and local communities.

The work projected for Phase 2 Year 2 and 3 includes continuation of efforts to complete a revised draft EIR/EIS for public review and comment, preparing and submitting final feasibility reports for Prop 1 and WIIN Act funding, and moving forward on predesign, critical permits, securing water rights, and interim financing.

Potential Valley Water Benefits

Sites Project water supply and operational benefits could be realized by diverting surplus water into Sites Reservoir during high river flow events for later release to participants, in conjunction with operation of Oroville and Shasta Reservoirs. Staff anticipates that the Sites Project could provide the following benefits to Valley Water, if it is able to divert and store water as proposed with operations integrated with the SWP and CVP:

- An increase in water supply, including significant amounts in dry years, which could, subject to future negotiations, be delivered as SWP project supplies;
- Storage rights in Sites reservoir proportional to the Valley Water's targeted participation level;
- Improvement in Shasta Reservoir storage levels and cold-water pool that may provide fishery benefits; and
- Stabilization or increase in CVP water supply allocations.

The extent to which these benefits can be realized depends on several issues that have yet to be resolved, including permit requirements, potential participation by Reclamation and other agencies and integration of operations with the SWP and CVP as well as with other Sacramento Valley users and projects.

Staff has evaluated preliminary modeling results provided by the VPAA Report to assess the share of yield that could be delivered to Valley Water for a range of target participation levels. Given general uncertainties associated with conveyance across the Delta, staff has assigned losses of 25 percent on estimated NOD yields (see Table 1).

Execution of the Second Amendment would provide Valley Water with a continuing seat on the Sites Reservoir Project Committee (Reservoir Committee) through December 2021. Staff will provide an update on long-term governance of the project at the July 13 Water Storage Exploratory Committee meeting.

Two participation approaches for the next phase of funding are presented in Table 1, while Table 2 provides advantages and disadvantages for each option:

1. Option A: Maintain Valley Water's current level participation level in terms of percent (3.2%).
2. Option B: Maintain Valley Water's current estimated share of project yield in terms of

requested NOD yield (16,000 AF) and anticipated share of water delivered to Valley Water after losses (roughly 10,000 AF).

Table 1: Comparison of Participation Options

	February 26, 2019 Board Decision (3.2% Participation Share)	Option A	Option B
		Maintain 3.2% Participation Share in the Project	Maintain Estimated Share of Project Yield
PROJECT DESCRIPTION			
Total Capital Cost (2019 Dollars) ¹	\$6 Billion	\$3 Billion	\$3 Billion
Reservoir Size (MAF)	1.8	1.5	1.5
Total Estimated Project Annual Yield (AF)	500,000	240,000	240,000
PARTICIPATION SIZE			
Valley Water Participation in Total Project	3.20%	3.20%	6.60%
Valley Water Participation Request (AF) ²	16,000	7,800	16,000
Valley Water Participation in Project Agreement Member Share	8.30%	4.10%	8.30%
ESTIMATED BENEFITS (STORAGE AND YIELD)			
Valley Water Average Delivered Yield (AF) ⁴	11,100	4,700 to 6,100	9,600 to 12,400
Valley Water Average Dry/Critical (Drier) Year Delivered Yield (AF) ⁴	21,500	6,500 to 8,200	13,200 to 16,800
Valley Water Storage Share (AF) ³	55,000	45,000	90,000
FUNDING			
Valley Water Share of Total Capital Cost (2019 Dollars)	\$192 Million	\$97 Million	\$195 Million
Valley Water Share of Total Capital Cost (Fully Inflated Dollars) ⁵	\$242 Million	\$125 Million	\$255 Million

Valley Water Funding Commitment	\$0.96 Million	\$0.78 Million	\$1.60 Million
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¹ In the February 26, 2019 Board materials, capital cost was reported in 2015 dollars. For comparison with estimates for the new project description, these have been escalated up to 2019 dollars using the USBR CCT Composite Trend Indices per recommendation from Jeff Herrin (Sites Consultant, AECOM). The reported 2015 dollar values were \$5.5 billion for the total project and \$177 million for Valley Water’s Share.

² This participation request is a value requested by the Sites Project managers and is used by them as a tool to calculate participation levels relative to other participants. Actual annual yield of the project is variable based on hydrology (year type) and other factors.

³ Share of storage is a rough estimate. Sites participants have not had a complete discussion regarding allocation of storage, but currently adopted Sites storage policy indicates storage rights will be in proportion to participation level.

⁴ Yields delivered to Valley Water assume a 25% carriage water loss applied to North of Delta (NOD) yield numbers. Yield numbers are very rough and are subject to change. The yield projected for a 3.2% participation level in February 2019 was 8,000 AF; this number has been updated to 11,000 AF in the table to reflect updated modeling assumptions.

⁵ Total Capital Cost published by the Sites Project were fully inflated by Valley Water financial staff to determine nominal construction costs.

⁶ Sites is requesting funding for the next phase of work, which will begin September 1, 2020, and run through December 2021.

Note that these yield amounts available to Valley Water are new water, not otherwise available to Valley Water, for example, through other projects currently being considered. Ultimately the amount of project yield and benefit that is usable by Valley Water depends on the portfolio of water supply projects Valley Water ultimately implements as guided by the WSMP; the outcome of negotiations among water agency participants, DWR, and Reclamation; the outcome of ongoing regulatory processes; and refinements of Sites Project operations to reflect storage benefits and updated operational constraints. Additional modeling refinements are currently being implemented to better estimate potential yields and benefits.

Table 2: Participation Option Advantages/Disadvantages

Option	Valley Water Participation Level ¹	Advantages	Disadvantages
A	3.2% (\$0.78 M)	<ul style="list-style-type: none"> • Lower cost than previous funding commitments • Potential for partial refund of previous investments 	<ul style="list-style-type: none"> • Reserves a smaller portion of yield and storage benefits (8 TAF drier year yield, 45 TAF storage) • Reduced level of influence • May be difficult to increase participation at a later date
B	6.6% (\$1.6 M)	<ul style="list-style-type: none"> • Maintain current level of influence • Reserves a larger portion of yield and storage benefits (17 TAF drier year yield, 90 TAF storage) • Participation level may be reduced later 	<ul style="list-style-type: none"> • Higher cost

¹ Valley Water participation level in total project and associated funding commitment for the Second Amendment.

Another option to consider is withdrawing completely from the project by not executing the Project

Agreement. However, doing so would result in no preservation of benefit, and, because the project size has decreased, there is a greater probability that it may proceed without Valley Water's support. In this case, it would be more difficult for Valley Water to rejoin the project at a later date.

For the Committee's convenience, a copy of the current public water agency participation levels contained in Exhibit A to the 2019 Reservoir Project Agreement and first amendment is provided as Attachment 2.

Project Funding

Execution of the Second Amendment would obligate Valley Water to provide funding for continued work on Phase 2 of the Sites Project. The total Second Amendment budget, for Phase 2 Year 2 and 3, is roughly \$40 million, with about \$19 million of this to be funded by water user participants that comprise the Reservoir Committee. The remaining budget is expected to be funded using Proposition 1 early funding and funds secured from provisions under the WIIN Act.

The allocation of costs to the Sites Reservoir Committee members is outlined in the Second Amendment. Maintaining Valley Water's participation level of 3.2 percent of total project, Option A, would commit Valley Water to provide \$0.78 million in funding; a participation level of 6.6 percent of total project, Option B, would commit Valley Water to provide \$1.6 million in funding. Staff plans to add \$600,000 to the FY2021 Imported Water Unit budget through a budget adjustment such that \$1.6 million will be available to support Option B if the Board authorizes that participation level.

ATTACHMENTS:

"Copies of this memo's attachments can be found using the following link to view the Water Storage Exploratory Committee Agenda from July 13, 2020:"

<https://www.valleywater.org/how-we-operate/committees/board-committees> or

<https://www.valleywater.org/sites/default/files/WSEC-Agenda-07132020.pdf>

UNCLASSIFIED MANAGER:

Jerry De La Piedra, 408-630-2257

May 21, 2020

Dear Reservoir Committee Member,

In April 2020, actions were taken by the Project and Authority governing bodies to adopt the April 13, 2020, Sites Project Value Planning Alternatives Appraisal Report and the Amendment 2 Work Plan which together constitute the scope, schedule and budget for the next stage of project development through December 2021. In taking these actions, funding requirements were set which established the timing and amount due from each participating member that wishes to continue its participation in the Project during the Amendment 2 Work Plan period.

As a participating member in the original Phase 2 Project Agreement dated April 1, 2019 and the First Amendment dated January 1, 2020, the Authority hereby requests your determination of interest in continued participation by returning the attached Second Amendment completed and signed by your authorized agency designee, **no later than September 10, 2020.**

Please note that the Second Amendment requires the following information in addition to the authorized signature on the amendment:

- Indicate the amount of capacity shares in acre feet that you are securing through this phase of the project which, in accordance with the amended Section 2.04, will represent the capacity share amount to which your agency has first rights of refusal in any future phase of work. These capacity share amounts indicated by each participating member will be used for the final Exhibit A of the Second Amendment.
- Indicate your commitment to provide up to the total funding required for the capacity shares you have designated. The unit cost is the total for the original agreement already paid (\$60/AF) and the new commitment for the Amendment 2 Work Plan (not to exceed \$100/AF).

We have prepared a set of documents for you to use in your agency deliberations of this request. Documents are available for you to download at this link: <https://brwncald-my.sharepoint.com/:f:/p/jrobinette/Epm9jMLcDwNOhIMc2840b6EBFm-igGMQPzc-HU2pCxovcQ?e=Z6687k>. Don't hesitate to contact Kevin Spesert, Sites Project Authority, External Affairs Manager, at kspesert@sitesproject.org if you need assistance with any of these materials.

The project team is excited to embark on this ambitious Amendment 2 Work Plan. It is critical that you receive timely information for your next decision prior to December 2021 where we will be seeking commitment of the total project local cost share which is one of the conditions for receiving the \$816M State WSIP funds.

Please don't hesitate to contact me if there are any questions or you need my support regarding this request.

Jerry Brown
Executive Director, Sites Project Authority

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry Brown", with a long horizontal flourish extending to the right.

Jerry Brown, Executive Director
Sites Project Authority

SECOND AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT

BY AND AMONG
SITES PROJECT AUTHORITY

and

THE PROJECT AGREEMENT MEMBERS LISTED HEREIN

Dated as of July 1, 2020

THIS SECOND AMENDMENT TO 2019 RESERVOIR PROJECT AGREEMENT (this “Second Amendment”), dated as of July 1, 2020, by and among SITES PROJECT AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the “Authority”), and the project agreement members listed in the Agreement referenced below (the “Project Agreement Members”) and amends that certain 2019 Reservoir Project Agreement dated as of April 1, 2019 (the “Original Agreement”), as previously amended by the First Amendment to 2019 Reservoir Project Agreement dated as of January 1, 2020 (the “First Amendment” and, together with the Original Agreement, the “Agreement”), each by and among the Authority and the Project Agreement Members;

WITNESSETH:

WHEREAS, Authority and the Project Agreement Members have determined to approve an Amendment 2 Work Plan and to extend the term of the Agreement to December 31, 2021; and

WHEREAS, under Section 11 of the Agreement, the Agreement may be amended by a writing executed by the Authority and at least 75% of the total weighted vote of the then current Committee members as provided in Subsection 3(g); and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Second Amendment do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Second Amendment;

NOW, THEREFORE, THIS SECOND AMENDMENT WITNESSETH, the Authority and the Project Agreement Members agree, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning set forth in the Agreement.

ARTICLE II

AMENDMENTS TO AGREEMENT

Section 2.01. **Project Agreement Members.**

(a) Effective September 1, 2020, the Project Agreement Members attached as Exhibit A to the Agreement shall be succeeded in their entirety by the Project Agreement Members attached hereto as Exhibit A.

Section 2.02. **Work Plan.**

(a) Effective September 1, 2020, the 2019 Work Plan attached as Exhibit B to the Agreement shall be supplemented by the Work Plan attached hereto as Exhibit B (the “Amendment 2 Work Plan”).

Section 2.03. **Funding.**

The Agreement is hereby amended to remove Section 4(a) in its entirety and replace it with the following:

“(a) **Budget.** The Committee shall, in cooperation with the Authority’s Board, provide and approve both a Fiscal Year operating budget and reestablish a Phase 2 budget target, annually or more frequently as needed. The Project Agreement Members shall contribute their respective pro-rata share of the budgeted sums reflected in the 2019 Work Plan (prior to November 1, 2020) and the Amendment 2 Work Plan (on and after November 1, 2020) in accordance with Section 5 of this Project Agreement; provided, however, that in no event shall the amount paid by a Project Agreement Member exceed \$160 per acre-foot (with \$60 of such amount being attributable to the 2019 Work Plan and \$100 of such amount being attributable to the Amendment 2 Work Plan) without the approval of such Project Agreement Member. The contribution with respect to the pro-rata budgeted sums reflected in the Amendment 2 Work Plan shall be payable by each Project Agreement Member in two installments. The first installment shall be in an amount equal to \$60 per acre-foot and shall be payable by no later than November 1, 2020. The second installment shall be in an amount up to \$40 per acre-foot and shall be payable by no later than April 1, 2021. The exact amount per acre-foot of the second installment shall be established by the Committee, in cooperation with the Authority’s Board, and notice of such amount shall be provided by the Authority to each Project Agreement Member.”

Section 2.04. **Future Development of the Sites Reservoir Project.**

The Agreement is hereby amended to remove Section 6(b) in its entirety and replace it with the following:

“(b) Without limiting the foregoing, any Project Agreement Member that elects to continue participating in the development, financing, and construction of the Sites Reservoir Project to the time when the Authority offers contracts for a water supply or other services, will be afforded a first right, equal to that Project Agreement Member’s Participation Percentage, to contract for a share of any water supply that is developed, and for storage capacity that may be available from, the Sites Reservoir Project. In any successor phase agreements, Project Agreement Members who are parties to this Project Agreement that submitted a proposal to participate before February 28, 2019, shall be granted rights to contract for a share, in an amount equal to that Project Agreement Member’s Participation Percentage as of the effective date of such successor phase agreement, of any water supply that is developed, and for storage capacity that may be available from the Sites Reservoir Project prior to the rights of those becoming parties to this Project Agreement after that date.

If a participating Project Agreement Member as of February 28, 2019 identifies a lesser amount in the Second Amendment than its Original Agreement requested amount, that participating Project Agreement Member’s first rights of refusal in the future are to be based on the Second Amendment amounts and not the February 28, 2019 amounts.

Provided, however, that if a Project Agreement Member withdraws from the Project Agreement pursuant to Section 9 of this Agreement but later requests to be reinstated, then to the extent there is unsubscribed participation in the Project as determined by the Committee, the

Committee may vote to readmit said withdrawn Member with a reinstated first right of refusal provided said withdrawing Member provides funding to the Project commensurate with the funding requirements met by all current Project Agreement Members in the current phase of the Project as well as any prior phase, as adjusted for any credits, payments and/or reimbursements made under the Authority's credit reimbursement policy (the "Credit Reimbursement Policy").

Further provided, that if a Project Agreement Member desires to increase its participation after execution of the Second Amendment, then to the extent there is unsubscribed participation in the Project as determined by the Committee, the Committee may vote to approve said increase, or portion thereof, with a first right of refusal attendant thereto, provided said increasing Project Agreement Member provides funding to the Project commensurate with the funding requirements met by all current Project Agreement Members in the current phase of the Project as well as any prior phase, as adjusted for any credits, payments and/or reimbursements made under the Credit Reimbursement Policy.

The Authority and the Project Agreement Members will cooperate on the drafting of provisions in the water supply contract that will allow a Project Agreement Member or other eligible entity that commits to purchase a Sites Reservoir Project water supply to transfer water that the entity may not need from time to time on terms and conditions acceptable to the Project Agreement Member."

Section 2.05. **Term.** The Agreement is hereby amended to remove Section 8(b) in its entirety and replace it with the following:

"(b) The term of this Project Agreement shall continue until December 31, 2021. In the event that this Second Amendment is not approved by Project Agreement Members with the requisite percentage of the total weighted vote as set forth in the Agreement by June 30, 2020, the Agreement shall be revived immediately upon approval by such requisite percentage, without any additional approval of the Project Agreement Members, and this Second Amendment shall become effective."

Section 2.06. **Executive Director.** All references to the "General Manager" in the Agreement shall be changed to "Executive Director."

ARTICLE III

PROJECT AGREEMENT MEMBER PARTICIPATION

Section 3.01. **Project Agreement Participation.** Each Project Agreement Member shall specify its participation in the Sites Reservoir Project by indicating its elected water participation amount in the Sites Reservoir Project and the associated cost in the space provided therefor on the signature page to this Second Amendment. Based upon the respective participation elections of the Project Agreement Members, the Authority shall update Exhibit A pursuant to Section 5 of the Agreement.

ARTICLE IV

MISCELLANEOUS

Section 4.01. **Effectiveness of Agreement.** Except as expressly amended by this Second Amendment, the Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof. The amendments set forth in this Second Amendment shall be incorporated as part of the Agreement upon their effectiveness in accordance with Section 11 of the Agreement.

Section 4.02. **Execution in Several Counterparts.** This Second Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Project Agreement Members shall preserve undestroyed, shall together constitute but one and the same instrument.

Section 4.03. **Authorization, Ratification and Confirmation of Certain Actions.** The Authority and the Project Agreement Members each hereby authorize, ratify and confirm the extension of the term of the Agreement, as previously extended pursuant to the First Amendment, to June 30, 2020, and the expenditure of funds collected under the Agreement with respect to the 2019 Work Plan on and prior to June 30, 2020.

Section 4.04. **Laws Governing Second Amendment.** The effect and meaning of this Second Amendment and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State.

IN WITNESS WHEREOF, the Authority and Project Agreement Members hereto, pursuant to resolutions duly and regularly adopted by their respective governing bodies, have caused their names to be affixed by their proper and respective officers on the date shown below:

Dated: _____

SITES PROJECT AUTHORITY

By: _____

Name:

Title:

[PROJECT AGREEMENT MEMBER]

Dated: _____

(Authority & Project Agreement Member)

By: _____

Name:

Title:

PARTICIPATION AMOUNT

[PROJECT AGREEMENT MEMBER] hereby elects to participate in the Sites Reservoir Project in the amount and at the cost identified below.

**Participation
(Second Amendment
Annualized Acre-Foot):**

**Second Amendment Cost:
Not to Exceed \$100 per
Acre-Foot**

EXHIBIT A

PROJECT AGREEMENT MEMBERS

Participant	Participation	
	Preliminary	Percent
American Canyon, City of		
Antelope Valley-East Kern Water Agency		
Carter Mutual Water Company #		
Coachella Valley Water District		
Colusa County		
Colusa County Water District		
Cortina Water District		
Davis Water District		
Desert Water Agency		
Dunnigan Water District		
Glenn-Colusa Irrigation District		
LaGrande Water District		
Metropolitan Water District of S. CA		
Pacific Resources Mutual Water Company #		
Reclamation District 108		
San Bernardino Valley Municipal Water District		
San Geronio Pass Water Agency		
Santa Clara Valley Water District		
Santa Clarita Valley Water Agency		
Westside Water District		
Wheeler Ridge-Maricopa Water Storage District		
Zone 7 Water Agency		
Potential new participants		
Total:		

Participation Percentages exclude State of California and United States Bureau of Reclamation share of the Project.

Denotes a non-public agency. Refer to California Corporations Code Section 14300 et. seq. with additional requirements provided in both the Public Utilities Code and Water Code.

EXHIBIT B
AMENDMENT 2 WORK PLAN

Exhibit B
Reservoir Committee
2020 and 2021 Work Plan

Reservoir Committee Annual Budget for FY 2020 and FY 2021 (\$000)

Reservoir Committee Annual Budget for FY 2020 and FY 2021 (\$000)				
	Subject Area	2020	2021	Total
Revenue	Beginning Balance	\$6,847	\$0	\$6,847
	Participation Revenue	\$11,520	\$7,680	\$19,200
	Federal Revenue	\$0	\$4,000	\$4,000
	State Revenue	\$5,134	\$5,502	\$10,636
Revenue Total		\$23,501	\$17,182	\$40,683
Expenses	Permitting	(\$2,558)	(\$5,011)	(\$7,569)
	Early Mitigation	(\$243)	(\$2,257)	(\$2,500)
	Environmental Planning	(\$3,511)	(\$2,376)	(\$5,887)
	Operations Modeling	(\$3,486)	(\$536)	(\$4,022)
	Engineering	(\$4,360)	(\$2,180)	(\$6,540)
	Geotechnical	(\$1,142)	(\$2,003)	(\$3,145)
	Real Estate	(\$145)	(\$272)	(\$417)
	Communications	(\$489)	(\$579)	(\$1,068)
	Project Controls	(\$1,333)	(\$1,528)	(\$2,861)
	Funding	(\$777)	(\$590)	(\$1,367)
	Growth	(\$819)	(\$910)	(\$1,729)
	Management	(\$461)	(\$1,219)	(\$1,681)
	Support	(\$248)	(\$388)	(\$636)
Expenses Total		(\$19,573)	(\$19,848)	(\$39,422)
Grand Total		\$3,928	(\$2,666)	\$1,261

Annual expense budgets are based on the projected spend rate for the Amendment 1B and Amendment 2 work plans combined (Pg 2 and 3).

Amendment 1B Budget by Month (\$000s)

Reservoir Committee Work Plan Summary

Subject Area	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Total
Revenue									
Beginning Balance*	\$6,847								\$6,847
Participation Revenue									\$0
Federal Revenue									\$0
State Revenue	\$3,300								\$3,300
Revenue Sum	\$10,147								\$10,147
Expenses									
Environmental Planning	(\$269)	(\$245)	(\$269)	(\$269)	(\$245)	(\$257)	\$0	\$0	(\$1,555)
Operations Modeling	(\$519)	(\$472)	(\$355)	(\$220)	(\$116)	(\$85)	(\$55)	(\$53)	(\$1,876)
Engineering	\$0	(\$151)	(\$237)	(\$239)	(\$247)	(\$272)	(\$248)	(\$205)	(\$1,600)
Geotechnical	\$0	\$0	(\$27)	(\$118)	(\$107)	(\$118)	(\$118)	(\$113)	(\$601)
Real Estate	(\$7)	(\$6)	(\$7)	(\$7)	(\$6)	(\$7)	(\$7)	(\$7)	(\$55)
Communications	(\$38)	(\$35)	(\$38)	(\$38)	(\$35)	(\$38)	(\$38)	(\$36)	(\$297)
Project Controls	(\$255)	(\$77)	(\$85)	(\$85)	(\$77)	(\$85)	(\$85)	(\$81)	(\$828)
Funding	(\$74)	(\$109)	(\$120)	(\$121)	(\$104)	(\$61)	(\$37)	(\$35)	(\$661)
Growth	(\$93)	(\$84)	(\$93)	(\$93)	(\$84)	(\$93)	(\$93)	(\$88)	(\$719)
Management	\$0	\$0	\$0	(\$1)	(\$23)	(\$25)	(\$9)	\$0	(\$58)
Support	(\$15)	(\$14)	(\$15)	(\$15)	(\$14)	(\$15)	(\$15)	(\$15)	(\$120)
Expenses Sum	(\$1,271)	(\$1,194)	(\$1,247)	(\$1,206)	(\$1,059)	(\$1,056)	(\$705)	(\$633)	(\$8,370)

*Adjusted from value published in work plan based on 2019 close-out

Amendment 2 Budget by Month (\$000s)

Reservoir Committee Work Plan Summary

Subject Area	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Oct 21	Sep 21	Nov 21	Dec 21	Total
Revenue																	
Participation Revenue			\$11,520					\$7,680									\$19,200
Federal Revenue							\$2,000				\$2,000						\$4,000
State Revenue			\$1,834			\$1,834						\$1,834			\$1,834		\$7,336
Revenue Total			\$13,354			\$1,834	\$2,000	\$7,680			\$2,000	\$1,834			\$1,834		\$30,536
Expenses																	
Permitting	(\$253)	(\$577)	(\$1,023)	(\$705)	(\$525)	(\$525)	(\$584)	(\$471)	(\$419)	(\$448)	(\$295)	(\$309)	(\$295)	(\$295)	(\$613)	(\$232)	(\$7,569)
Early Mitigation	\$0	\$0	(\$113)	(\$131)	(\$119)	(\$119)	(\$136)	(\$131)	(\$119)	(\$235)	(\$231)	(\$242)	(\$231)	(\$231)	(\$220)	(\$242)	(\$2,500)
Environmental Planning	(\$488)	(\$512)	(\$442)	(\$513)	(\$474)	(\$474)	(\$218)	(\$71)	(\$65)	(\$71)	(\$61)	(\$62)	(\$216)	(\$42)	(\$343)	(\$279)	(\$4,332)
Operations Modeling	(\$621)	(\$680)	(\$232)	(\$78)	(\$71)	(\$71)	(\$81)	(\$72)	(\$43)	(\$48)	(\$46)	(\$48)	(\$11)	(\$46)	\$0	\$0	(\$2,146)
Engineering	(\$1,134)	(\$768)	(\$398)	(\$461)	(\$108)	(\$185)	(\$355)	(\$292)	(\$221)	(\$190)	(\$161)	(\$186)	(\$155)	(\$155)	(\$147)	(\$25)	(\$4,941)
Geotechnical	(\$52)	(\$54)	(\$61)	(\$374)	(\$346)	(\$461)	(\$513)	(\$134)	(\$124)	(\$172)	(\$42)	(\$44)	(\$42)	(\$42)	(\$40)	(\$42)	(\$2,544)
Real Estate	(\$23)	(\$24)	(\$20)	(\$24)	(\$21)	(\$21)	(\$25)	(\$24)	(\$21)	(\$24)	(\$23)	(\$24)	(\$23)	(\$23)	(\$21)	(\$24)	(\$362)
Communications	(\$48)	(\$50)	(\$43)	(\$50)	(\$46)	(\$46)	(\$52)	(\$50)	(\$46)	(\$50)	(\$48)	(\$50)	(\$48)	(\$48)	(\$46)	(\$50)	(\$771)
Project Controls	(\$126)	(\$132)	(\$114)	(\$132)	(\$120)	(\$120)	(\$138)	(\$132)	(\$120)	(\$132)	(\$126)	(\$132)	(\$126)	(\$126)	(\$120)	(\$132)	(\$2,033)
Funding	(\$29)	(\$30)	(\$26)	(\$30)	(\$64)	(\$66)	(\$76)	(\$73)	(\$66)	(\$71)	(\$29)	(\$30)	(\$29)	(\$29)	(\$28)	(\$30)	(\$706)
Growth	(\$25)	(\$26)	(\$23)	(\$26)	\$0	\$0	(\$38)	(\$36)	(\$33)	(\$36)	(\$35)	(\$154)	(\$146)	(\$146)	(\$139)	(\$148)	(\$1,010)
Management	(\$101)	(\$106)	(\$91)	(\$106)	(\$96)	(\$96)	(\$110)	(\$106)	(\$96)	(\$106)	(\$101)	(\$106)	(\$101)	(\$101)	(\$96)	(\$106)	(\$1,623)
Support	(\$32)	(\$34)	(\$29)	(\$34)	(\$31)	(\$31)	(\$35)	(\$34)	(\$31)	(\$34)	(\$32)	(\$34)	(\$32)	(\$32)	(\$31)	(\$34)	(\$516)
Expenses Total	(\$2,931)	(\$2,994)	(\$2,616)	(\$2,663)	(\$2,020)	(\$2,214)	(\$2,362)	(\$1,624)	(\$1,404)	(\$1,616)	(\$1,230)	(\$1,422)	(\$1,454)	(\$1,314)	(\$1,844)	(\$1,345)	(\$31,052)

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Preliminary Amendment 2 Participation Tableⁱ

Participant	Phase 2 (2019) Participation Request (AF)	Amendment 2 Staff Recommended Participation Request (AF)	Variance (AF)	Interest in Participation Increase (AF)	Estimated Cost Share of Total Project ⁱⁱ
American Canyon, City of	4,000	4,000	0		1.6%
Antelope Valley-East Kern WA	500	500	0		0.2%
Carter MWC	300	300	0		0.1%
Coachella Valley WD	10,000	10,000	0		4.1%
Colusa County	10,000	10,000	0		4.1%
Colusa County WD ⁱⁱⁱ	11,975	11,000	-975	Possibly	4.5%
Desert WA	6,500	6,500	0		2.7%
Glenn-Colusa ID	5,000	5,000	0		2.1%
Metropolitan WD of S. CA	50,000	50,000	0		20.6%
Reclamation District 108	4,000	4,000	0		1.6%
San Bernardino Municipal WD	21,400	21,400	0		8.8%
San Geronio Pass WA	14,000	14,000	0		5.8%
Santa Clara Valley WD	16,000	7,800	-8,200		3.2%
Santa Clarita Valley WA	5,000	5,000	0	5,000	2.1%
TC4: Cortina WD	450	450	0		0.2%
TC4: Davis WD	2,000	2,000	0		0.8%
TC4: Dunnigan WD	2,717	2,717	0		1.1%
TC4:LaGrande WD	1,000	1,000	0		0.4%
Westside WD ⁱⁱⁱ	15,000	2,000	-13,000		0.8%
Wheeler Ridge-Marcopa WSD	3,050	3,050	0		1.3%
Zone 7 WA	10,000	10,000	0		4.1%
Pacific Resources MWC ^{iv}	0	0	0	10,000	0.0%
TOTAL	192,892	170,717	-22,175	15,000	70.3%

ⁱ Based on table provided at July 16, 2020 Sites Reservoir Committee meeting. Updated to reflect Valley Water Staff recommended minimum participation request and an estimate of each participants cost share of total project.

ⁱⁱ Based on staff recommended participation request only. Total does not include Prop 1 grant funding from State, which is expected to cover approximately 25% of the construction costs.

ⁱⁱⁱ Indicated possibility for higher participation, lower projected participation level shown

^{iv} Phase 1 participant, no survey response received. Interest expressed by a responding Phase 2 participant.

EXHIBIT A

PROJECT AGREEMENT MEMBERS

Participant	Participation (Annualized Acre-Foot)		
	Estimated Deliveries	Water Supply Pct	Weighted Voting Pct
American Canyon, City of	4,000	2.1%	3.42 %
Antelope Valley-East Kern WA	500	0.3%	2.51 %
Carter MWC ‡	300	0.2%	2.46 %
Coachella Valley WD	10,000	5.2%	4.97 %
Colusa County	10,000	5.2%	4.97 %
Colusa County WD	11,975	6.2%	5.49 %
Desert WA	6,500	3.4%	4.06 %
Glenn-Colusa ID	5,000	2.6%	3.68 %
Metropolitan WD of S. CA	50,000	25.9%	15.34 %
Reclamation District 108	4,000	2.1%	3.42 %
San Bernardino Municipal WD	21,400	11.1%	7.93 %
San Geronio Pass WA	14,000	7.3%	6.01 %
Santa Clara Valley WD	16,000	8.3%	6.53 %
Santa Clarita Valley WA	5,000	2.6%	3.67 %
TC4: Cortina WD	450	0.2%	2.50 %
TC4: Davis WD	2,000	1.0%	2.90 %
TC4: Dunnigan WD	2,717	1.4%	3.09 %
TC4: LaGrande WD	1,000	0.5%	2.64 %
Westside WD	15,000	7.8%	6.27 %
Wheeler Ridge-Maricopa WSD	3,050	1.6%	3.17 %
Zone 7 WA	10,000	5.2%	4.97 %
Total:	192,892	100.0 %	100.00 %

Participation Percentages exclude State of California's and United States Bureau of Reclamation's participation in the Sites Reservoir Project.

‡ Denotes a non-member participating party. Refer to California Corporations Code Section 14300 et. seq. with additional requirements provided in both the Public Utilities Code and Water Code.



Valley Water

Clean Water • Healthy Environment • Flood Protection

Water Storage Exploratory Committee Meeting
August 2020



Second Amendment to 2019 Reservoir Project Agreement for Continued Participation in the Sites Reservoir Project

August 20, 2020

Staff Recommendations

- A. Receive and discuss updated information on the Sites Reservoir Project (Project).
- B. Recommend to Board to authorize CEO to execute the Second Amendment to 2019 Reservoir Project Agreement for continued participation in Project Phase 2 at a minimum participation level of 3.2 percent of the total project and a minimum funding commitment of up to \$0.78 million.
- C. Recommend to Board to direct staff to continue engagement in Sites Reservoir Committee and negotiate future participation parameters.

Preliminary Amendment 2 Participation

Participant	Phase 2 (2019) Participation Request (AF) – larger project no longer pursued	Amendment 2 Staff Recommended Participation Request (AF)	Variance (AF)	Interest in Participation Increase (AF)	Estimated Cost Share of Total Project
American Canyon, City of	4,000	4,000	0		1.6%
Antelope Valley-East Kern WA	500	500	0		0.2%
Carter MWC	300	300	0		0.1%
Coachella Valley WD	10,000	10,000	0		4.1%
Colusa County	10,000	10,000	0		4.1%
Colusa County WD	11,975	11,000	-975	Possibly	4.5%
Desert WA	6,500	6,500	0		2.7%
Glenn-Colusa ID	5,000	5,000	0		2.1%
Metropolitan WD of S. CA	50,000	50,000	0		20.6%
Reclamation District 108	4,000	4,000	0		1.6%
San Bernardino Municipal WD	21,400	21,400	0		8.8%
San Geronio Pass WA	14,000	14,000	0		5.8%
Santa Clara Valley WD	16,000	7,800 min.	-8,200		3.2% min.
Santa Clarita Valley WA	5,000	5,000	0	5,000	2.1%
TC4: Cortina WD	450	450	0		0.2%
TC4: Davis WD	2,000	2,000	0		0.8%
TC4: Dunnigan WD	2,717	2,717	0		1.1%
TC4:LaGrande WD	1,000	1,000	0		0.4%
Westside WD	15,000	2,000	-13,000		0.8%
Wheeler Ridge-Marcopa WSD	3,050	3,050	0		1.3%
Zone 7 WA	10,000	10,000	0		4.1%
Pacific Resources MWC	0	0	0	10,000	0.0%
TOTAL	192,892	170,717	-22,175	15,000	70.3%

valleywater.org



Phase 2 Project Participation Options

Option	Valley Water							
	Target Level of Participation		Estimated Benefits (Storage and Yield)			Cost		
	Total Project (%)	Request (AF)	Average Delivered Yield (AF) ¹	Average Drier Year Delivered Yield (AF) ¹	Storage Share (AF)	Total Capital Cost (\$ Million)	Total Capital Cost Fully Inflated (\$ Million)	Funding Commitment (\$ Million)
Feb. 2019	3.2	16,000	11,100	21,500	55,000	192	242	0.96
A	3.2	7,800	4,700 to 6,100	6,500 to 8,200	45,000	95	125	0.78
B	6.6	16,000	9,600 to 12,400	13,200 to 16,800	90,000	195	255	1.60

1. Yields delivered to Valley Water assume a 25% carriage water loss applied to North of Delta yield numbers.

Staff estimate a \$600-\$800 per AF 100-year levelized unit cost for both options (2020 constant dollars) based on the yields shown above.



Evaluation of Participation Options

Option	Valley Water Participation Level ¹	Advantages	Disadvantages
A	3.2% (\$0.78 M)	<ul style="list-style-type: none"> • Lower cost than previous funding commitments • Potential for partial refund of previous investment 	<ul style="list-style-type: none"> • Reserves a smaller portion of yield and storage benefits (8 TAF drier year yield, 45 TAF storage) • Reduced level of influence, 4.4% weighted voting on Reservoir Committee² • May be difficult to increase participation at a later date
B	6.6% (\$1.6 M)	<ul style="list-style-type: none"> • Maintain current level of influence, 6.5% weighted voting on Reservoir Committee² • Reserves a larger portion of yield and storage benefit (17 TAF drier year yield, 90 TAF storage) • May reduce participation later 	<ul style="list-style-type: none"> • Higher cost
C	0% (\$0.0 M)	<ul style="list-style-type: none"> • Potential for partial refund of previous investment 	<ul style="list-style-type: none"> • No preservation of benefit to Valley Water • Project may continue to move forward without Valley Water support • May be difficult to participate at a later date

¹ Valley Water participation level in total project and associated funding commitment for the Second Amendment

² Estimate assumes continued participation by all agencies with a total participation equal to 193 TAF.

Key: TAF = thousand acre-foot



Staff Recommendations

- A. Receive and discuss updated information on the Sites Reservoir Project (Project).
- B. Recommend to Board to authorize CEO to execute the Second Amendment to 2019 Reservoir Project Agreement for continued participation in Project Phase 2 at a minimum participation level of 3.2 percent of the total project and a minimum funding commitment of up to \$0.78 million.
- C. Recommend to Board to direct staff to continue engagement in Sites Reservoir Committee and negotiate future participation parameters.



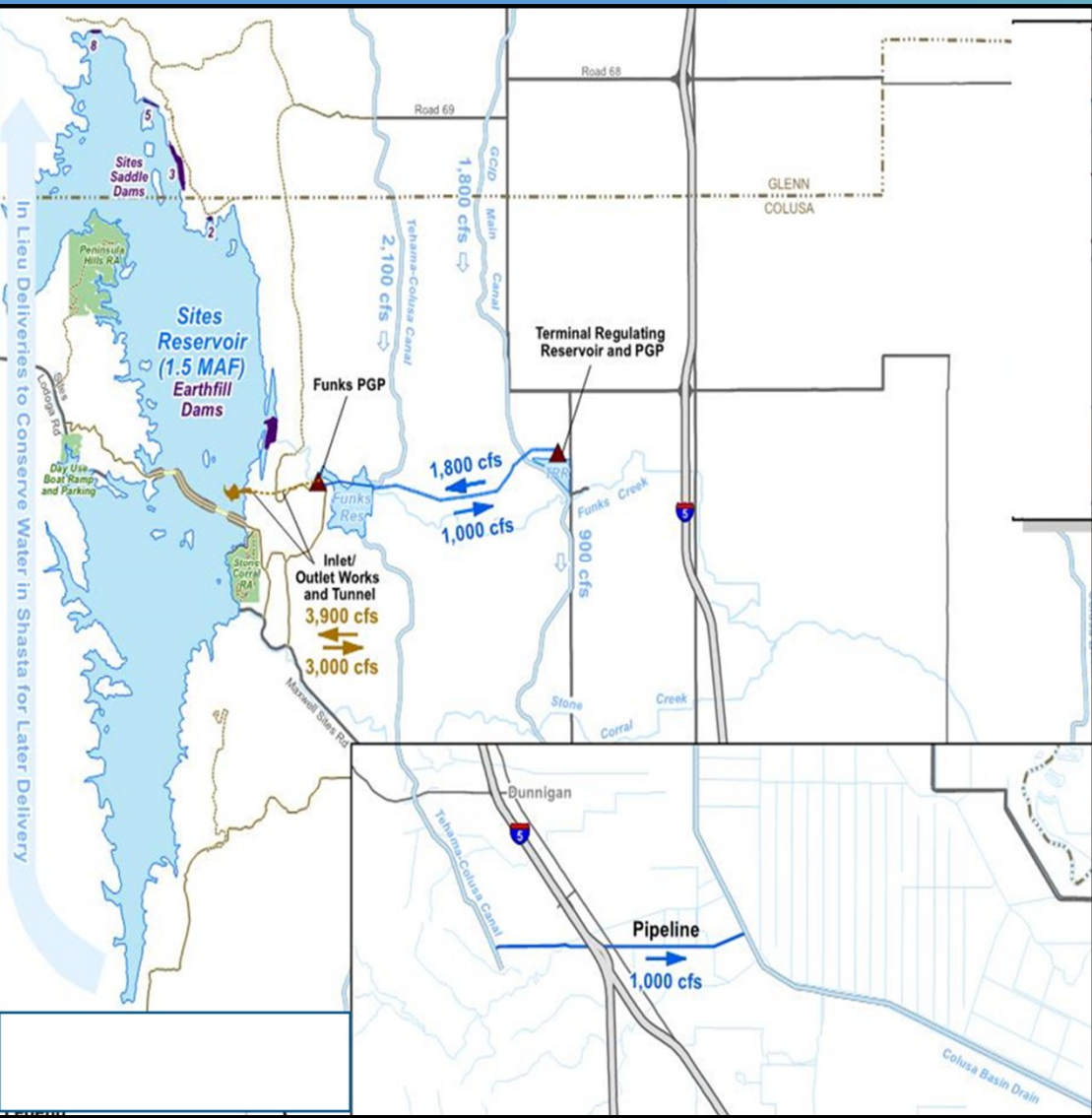
Valley Water

Clean Water • Healthy Environment • Flood Protection

Supplemental Slides

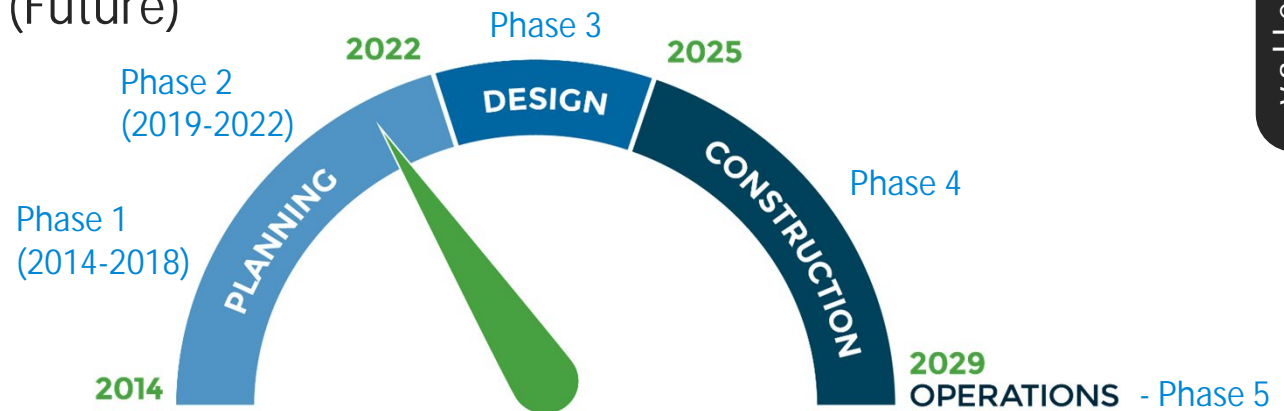
Sites Reservoir Project

Location: Colusa and Glenn Counties, California



Path Forward: Project Phasing

- Phase 1: Planning – State/Federal funding applications and EIR/EIS development. (Complete)
- Phase 2: Planning – EIR/EIS completion, feasibility studies, predesign, critical permits, water rights, and interim financing. (In Progress)
- Phase 3: Design – Geotech exploration, final design, land and right of way acquisition, and remaining permits. (Future)
- Phase 4: Construction. (Future)
- Phase 5: Transfer of operations. (Future)



Second Amendment to Agreement

- Provides for continued planning work and funding for Phase 2 (Year 2 and 3) of the Project.
- Preserves right to contract for water supply and storage from finished project if executed by September 10, 2020.
- Provides for ability to influence Project through continued participation on Reservoir Committee.
- Commits Valley Water to provide funding for work through December 2021
 - Option A: Maintain Valley Water percent participation level (3.2%).
 - Option B: Maintain Valley Water estimated share of project yield.



August 11, 2020

Chairman Gary Kremen
Valley Water Storage Exploratory Committee
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3686

Subject: Sites Reservoir Participation

Dear Chairman Kremen,

This is a follow-up to the July 24, 2020 meeting which was a productive discussion about the next stage of project development and areas of interest to the Valley Water Board of Directors. We understand the Valley Water Board looks to you for guidance with regard to evaluating Valley Water's continued participation in the Sites Reservoir Project as the Chair of your Board's Water Storage Exploratory Committee.

As was explained in the meeting, the recent rightsizing puts the project on a renewed path forward to deliver an affordable, permittable and buildable project within the next decade. We are seeing strong interest from other existing and new participants in the project and would like to see Valley Water, as an early participant, continue to be a key partner in building this critical statewide infrastructure.

We want you and the Board to know that we acknowledge your concerns about project governance and your interest in a greater level of policy oversight by participants outside of the Sacramento Valley. Governance and policy oversight will be a subject area considered by the Authority Board during this next stage of project development (within 16 months). In our positions as Chair and Vice Chair of the Authority Board, we have been and will continue to be committed to governance and policy oversight that provides every participant the control, oversight and independence to achieve its expected benefits from the investment. If there is something that is needed to strengthen that commitment, we would welcome your suggestion and ensure a discussion by the Authority Board.

Clearly, one of the key foundations of any large infrastructure project that expects to be successful is "partnership". But we also understand that partnership needs to be supported by legal assurances provided through contractual mechanisms. These



Valley Water Letter, Sites Reservoir Participation

August 11, 2020

Page 2

elements will be the subject of discussion as well in conjunction with policy and governance discussions over the next 16 months.

We value Valley Water's contributions to this project to date and we look forward to a continued, strong working relationships going forward.

Sincerely,

A handwritten signature in blue ink that reads "FRITZ DURST".

Fritz Durst, Chairman
Sites Authority Board

A handwritten signature in blue ink that reads "Jeffrey P. Sutton".

Jeff Sutton, Vice-Chairman
Sites Authority Board

cc: Valley Water Board of Directors
Rick Callender, Chief Executive Officer, Valley Water
Garth Hall, Interim Chief Operating Officer, Valley Water
Jerry De La Piedra, Interim Deputy Operating Officer of Water Supply, Valley Water
Cindy Kao, Imported Water Manager, Valley Water
Sites Authority Board of Directors
Sites Project Reservoir Committee
Jerry Brown, Executive Director, Sites Project Authority



Santa Clara Valley Water District

File No.: 20-0654

Agenda Date: 8/21/2020

Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM

Water Storage Exploratory Committee

SUBJECT:

Review Water Storage Exploratory Committee Work Plan and the Committee's Next Meeting Agenda.

RECOMMENDATION:

Review the Committee's Work Plan to guide the Committee's discussions regarding policy alternatives and implications for Board deliberation.

SUMMARY:

The Committee's Work Plan outlines the Board-approved topics for discussion to be able to prepare policy alternatives and implications for Board deliberation. The work plan is agendaized at each meeting as accomplishments are updated and to review additional work plan assignments by the Board.

BACKGROUND:

Governance Process Policy-8:

The District Act provides for the creation of advisory boards, committees, or committees by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Advisory Committees, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Advisory Committees may help the Board produce the link between the District and the public through information sharing to the communities they represent.

ATTACHMENTS:

Attachment 1: WSEC 2020 Work Plan

Attachment 2: Next Meeting's Proposed Agenda

File No.: 20-0654

Agenda Date: 8/21/2020
Item No.: 4.3.

UNCLASSIFIED MANAGER:
Michele King, 408-630-2711

2020 Work Plan: Water Storage Exploratory Committee

Update: August 2020

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion.

ITEM	WORK PLAN ITEM	MEETING	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
1	<p>Standing Items:</p> <ol style="list-style-type: none"> 1. Update on Los Vaqueros Reservoir Expansion Project (LVE) Transfer Bethany Pipeline (TBP) and Update on Management of South Bay Aqueduct (SBA) Facilities 2. Lake Del Valle 3. Del Puerto 4. Water Banking Opportunities including but not limited to Pleasant Valley Water District 5. Pacheco 6. Semitropic 7. Sites 8. San Luis Reservoir Low Point 9. B.F. Sisk Dam Raise Project 10. Shasta 	1-15-2020	<ul style="list-style-type: none"> • Receive quarterly reports on standing items. (Information) 	<p>Accomplished January 15, 2020: The Committee took the following action:</p> <ul style="list-style-type: none"> • That the Board consider the Committee's recommendation to the Board to accelerate the partnerships discussion for the Pacheco Reservoir Expansion Project. <p>Board received this information on February 25, 2020 and took the following action: Approved the Water Storage Exploratory Committee's recommendation.</p> <p>Pacheco and San Luis Reservoir Low Point Projects will be joined as one work plan item</p>
2	Review of 2020 Water Storage Exploratory Committee Work Plan	1-15-2020 07-13-2020 08-21-2020	<ul style="list-style-type: none"> • Review the Committee's 2020 Work Plan. 	<p>Accomplished January 15, 2020: The Committee reviewed the Committee's 2020 Work Plan and took no action.</p> <p>Accomplished July 13, 2020: The Committee reviewed the Committee's 2020 Work Plan and took no action.</p>
3	Del Puerto Canyon Reservoir Update	07-13-2020	<ul style="list-style-type: none"> • Receive information regarding the status of Del Puerto Canyon Reservoir. 	<p>Accomplished July 13, 2020: Special guests Mr. Chris White and Ms. Anthea Hansen gave a presentation of the Del Puerto Canyon Reservoir. The Committee took no action.</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1

Page 1 of 3

2020 Work Plan: Water Storage Exploratory Committee

Update: August 2020

ITEM	WORK PLAN ITEM	MEETING	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
4	Update on Los Vaqueros Reservoir Expansion Project: Storage, Transfer-Bethany Pipeline, and South Bay Aqueduct Capacity	7-13-2020 8-21-2020	<ul style="list-style-type: none"> Receive and discuss information regarding the Los Vaqueros Reservoir Expansion Project: Storage, Transfer-Bethany Pipeline, and South Bay Aqueduct Capacity Recommend update as action item for next Board of Directors meeting. 	<p>Accomplished July 13, 2020: The Committee received an update on the Los Vaqueros Reservoir Expansion Project: Storage, Transfer-Bethany Pipeline, and South Bay Aqueduct Capacity and discussed taking the following action: The Committee recommended to approve staff's recommendation to bring Amendment 2 to the 20 Multi-Party Agreement to the Board of Directors for its consideration by roll call vote and all Directors voting aye! One footnote, Committee requested that updated information come back to the Committee before going to the full Board.</p>
5	Update on the B.F. Sisk Dam Raise Project	07-13-2020	<ul style="list-style-type: none"> Receive and discuss information on the B.F. Sisk Dam Raise Project. 	<p>Accomplished July 13, 2020: The Committee received an update on the B.F. Sisk Dam Raise Project and discussed without taking action.</p>
6	Second Amendment to 2019 Reservoir Project Agreement for Continued Participation in the Sites Reservoir Project	7-13-2020 8-21-2020	<ul style="list-style-type: none"> Receive and discuss information regarding Sites Reservoir Project. 	<p>Accomplished July 13, 2020: The Committee received an update on the Sites Reservoir Project and discussed without taking action, however, before taking action, requested more information on the agreement/project for further discussion at the next meeting.</p>
7	Update on Pacheco/San Luis Reservoir Low Point Projects	07-13-2020	<ul style="list-style-type: none"> Receive and discuss information regarding the status of Pacheco/San Luis Reservoir Low Point Projects. 	<p>Accomplished July 13, 2020: The Committee received an update on the Pacheco/San Luis Reservoir Low Point Projects and discussed without taking action.</p>
8	Semitropic Groundwater Bank Update	TBD	<ul style="list-style-type: none"> Receive and discuss information regarding the status of Semitropic Groundwater Bank 	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1

Page 2 of 3

2020 Work Plan: Water Storage Exploratory Committee


Update: August 2020

ITEM	WORK PLAN ITEM	MEETING	INTENDED OUTCOME(S)	ACCOMPLISHMENT DATE AND OUTCOME
9	Comparison of Proposed Groundwater Banking Projects	TBD	<ul style="list-style-type: none"> Receive and discuss information regarding ongoing development of staff comparison tools to analyze and compare proposed groundwater banking projects. 	
10	Update on Conceptual Lake Del Valle Modifications	TBD	<ul style="list-style-type: none"> Receive and discuss information regarding the status of Conceptual Lake Del Valle Modifications. 	

Yellow = Update Since Last Meeting

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	<p align="center"><u>SCVWD Water Storage Exploratory Committee:</u> Director Gary Kremen (Committee Chair) Director Richard P. Santos Director John L. Varela</p>	
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AGENDA

WATER STORAGE EXPLORATORY COMMITTEE

TBD

**HEADQUARTERS BUILDING BOARDROOM
 5700 ALMADEN EXPY
 SAN JOSE CA 95118**

Time Certain:

	1.	<u>Call to Order/Roll Call</u>
	2.	<u>Time Open for Public Comment on Any Item Not on the Agenda</u> <i>Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.</i>
	3.	<u>Approval of Minutes</u> 3.1 Approval of Minutes – August 21 2020, meeting
	4.	<u>Discussion/Action Items:</u> 4.1 LVE/SBA 4.2 Sites Reservoir 4.3 Pacheco/San Luis Reservoir Low Point 4.4 Del Valle 4.5 Review of 2020 Water Storage Exploratory Committee Work Plan, remaining Standing Items, and the Committee’s next meeting agenda (Committee Chair)
	5.	<u>Clerk Review and Clarification of Committee Actions</u> <i>This is a review of the Committee’s Actions (from Item 4).</i>
	6.	<u>Adjourn</u>

Reasonable efforts to accommodate persons with disabilities wishing to attend committee meetings will be made. please advise the Clerk of the Board Office of any special needs by calling (408) 630-2277.

Meetings of this committee will be conducted in compliance with all Brown Act requirements. All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the same time that the public records are distributed or made available to the legislative body, at the following location:

Santa Clara Valley Water District, Office of the Clerk of the Board
 5700 Almaden Expressway, San Jose, CA 95118

WATER STORAGE EXPLORATORY COMMITTEE PURPOSE:

The Water Storage Exploratory Committee was established to receive and discuss information on issues related to additional water storage options. The Committee representatives may assist their respective Board of Directors on policies and actions related to these matters.