

EXHIBIT B: PHASE 1

RESERVOIR PROJECT AGREEMENT REQUIREMENTS

General Requirements:

The Sites Project Authority (the "**Authority**") intends to implement the Sites Reservoir Project in accordance with the Agreement and Bylaws, which, in part, include the creation of one or more Project Agreement Committees (a "**Committee**") to perform project-specific activities. These documents also include the Authority's Mission with project-specific powers and/or authorities set forth in the Bylaws, Section 10.

As stated in the Phase 1 Reservoir Project Agreement, the Reservoir Committee is comprised of certain Members and/or Non-Member Participating Parties, listed on the attached Exhibit A1 (collectively the "Project Agreement Members").

Restatement of Mission: "to be a proponent and facilitator to design and potentially acquire, construct, manage, govern, and operate Sites Reservoir and related facilities; to increase and develop water supplies; to improve the operation of the state's water system; and to provide a net improvement in ecosystem and water quality conditions in the Sacramento River system and the Delta".

The Authority's Bylaws augment its Mission statement through the establishment of its vision statement and values the Authority expects all Project Agreement Members to subscribe to in pursuing the Project Goals.

Primary Project Goal: Maximize both water supply and water supply reliability for (1) the Project Agreement Members and (2) the public benefits – specifically ecosystem and water quality – as defined in Proposition 1, Chapter 8 (2014) in a manner that:

- a. Is both technically and environmentally permitable (e.g. DSOD, FERC, CEQA/NEPA, CESA/ESA, Clean Water Act);
- b. Is economically and financially viable; having a high return on investment for both the Members and public benefits when measured on both an up-front capital cost (i.e. today) and on a long-term life cycle analysis (i.e. a future set of conditions);
- c. Is in accordance with existing (and likely new) water rights and area of origin statutes while acknowledging the leadership value provided by the Authority on behalf of the Sacramento Valley to develop the Project;

- d. Continues to pursue a strategy to minimize existing land uses, and post-construction maximizes the amount of land that can be returned or sold for non-Project uses;
- e. Can be integrated into the operations of the CVP and SWP while allowing (1) the Project Agreement Members and Non-Member Participating Parties and (2) both the California Water Commission (the "**CWC**") and public agencies contracting for the public benefits (i.e. DFW, DWR, and SWRCB) to have sufficient control to ensure the investment goals are achieved;
- f. Can adapt its operations in response to an uncertain future; affecting both water supply reliability for agricultural and urban uses as well as for the ecosystem in the Sacramento Valley watershed and in the Delta for the benefit of native species;
- g. Can provide flexible hydroelectric power generation that supports the integration of renewable energy sources being developed in response to the State's renewable energy and greenhouse gas reduction goals;
- h. Prudently manages risk by allocating risk to the entity in the best position to effectively manage the risk;
- i. If deemed economically viable without causing a delay to completion of the Project, can contribute to the State meeting its renewable energy goals; and
- j. Includes as a contingency plan or last ditch effort, the ability to pursue the Project solely by the Authority and Project Agreement Members should the Authority determine that the Project is still economically and financially viable, yet contracts for public benefits and/or public funding are not viable or in the best interest of the Authority or Project Agreement Members.

Secondary Project Goals include:

- a. Providing incremental flood damage reduction opportunities;
- b. Developing additional recreation opportunities;

To accomplish this goal, the Authority believes that those working at all levels of this Project should conduct themselves in accordance with the Authority's values, which are restated as follows:

- a. Transact all business in an open and honest manner;
- b. Communicate effectively;
- c. Build trust and confidence – both internally and externally;
- d. Be a respectful community partner;

- e. Make decisions that are fiscally prudent with a focus on creating value, in part, by evaluating the potential impact to the target cost/acre-ft.; and
- f. Utilize best-in-class processes and procedures - especially in the development of project controls and in both the management of risk and ensuring appropriate levels of quality.

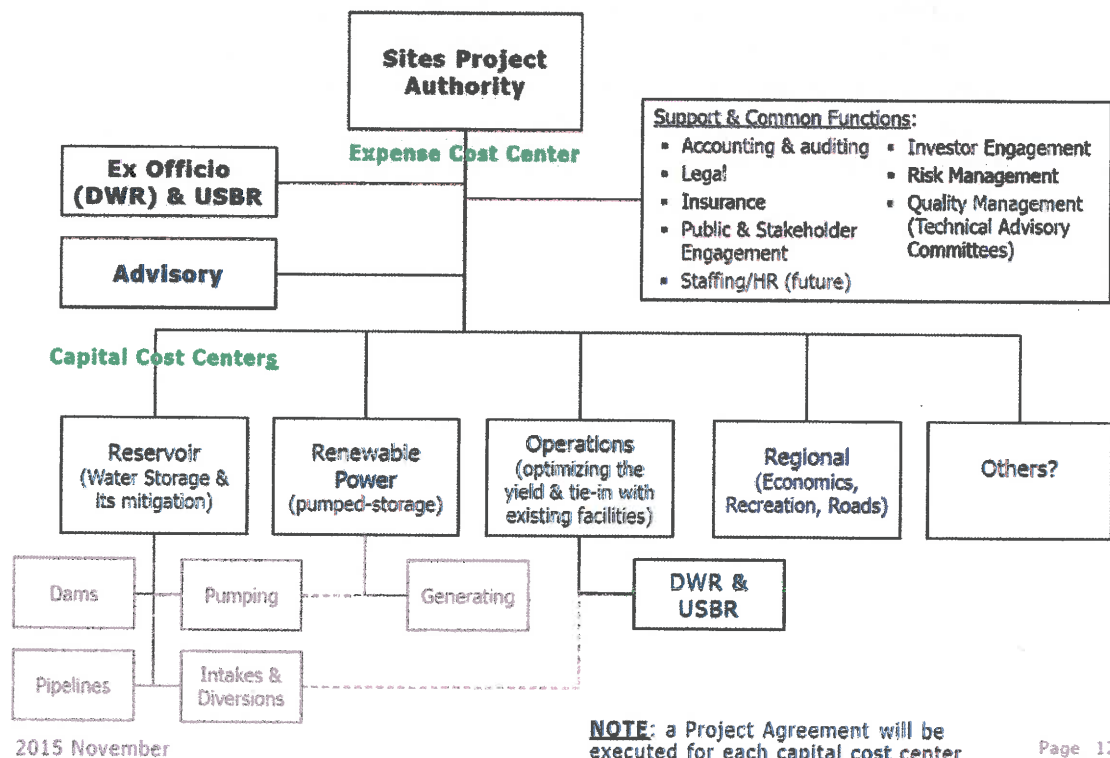
Finally, the Authority anticipates that with the development of any subsequent Phase-level Project Agreements the delegations and responsibilities to the Committee will be revisited to reflect the decision-making requirements needed to further advance the Sites Reservoir Project.

Specific Requirements:

1. Governance:

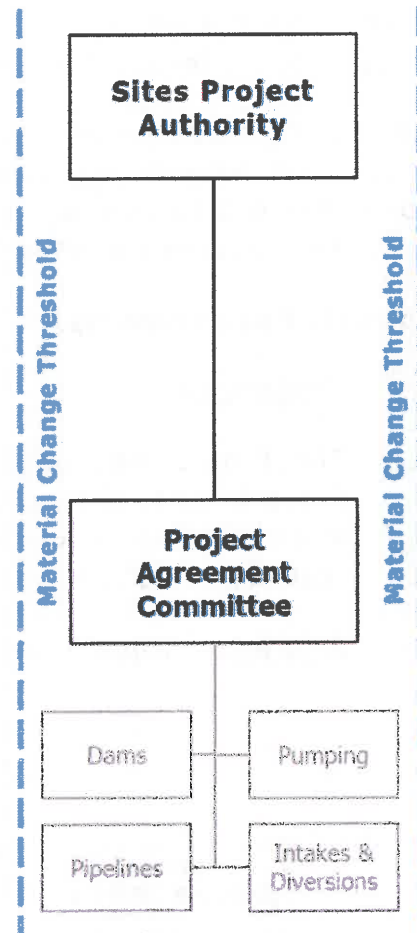
- 1.1. The Project has been organized to comply with the requirements of Proposition 1, Chapter 8, with the cost centers consolidated such that the Reservoir Project Agreement includes the Storage, Power and Operations cost centers and the Authority also includes the Regional cost center.

Figure 1: Project-level Organization



**Figure 2: Phase 1
Organization Chart**

- 1.2. For Phase 1 only those authorities specified in this Exhibit B are hereby delegated to the Project Agreement Members. Additional delegations (or rescissions) require execution of an amendment to this Exhibit.
- 1.3. **Material Change Thresholds:** Unless otherwise specified below, the thresholds established in the Bylaws, Section 12 apply.
- 1.4. Each Project Agreement Member shall ensure that its representative to the Committee has been delegated the responsibility by its governing board to make policy-level decisions.
- 1.5. The Committee can form its own subcommittees including ad-hoc committees with the resulting recommendations and/or work products reported up through the Committee and then to the Authority.



2. Communications Management:

- 2.1. Communications, both internal and external, should be viewed as a joint responsibility involving all Project Agreement Members. Furthermore, the Authority encourages the dissemination of accurate project data and information to anyone expressing an interest in the Project, regardless of their opinion towards the Project.
- 2.2. External Communications: The Authority retains the lead responsibility for developing the overall strategy, messaging, brand development and related functions with the Project Agreement Committee providing input and support.
 - 2.2.1. Elected Officials, Public Agencies & Utilities: The Authority shall decide how best to engage external interests, including elected officials, interested federal, state and local entities, the public, and non-governmental organizations. The Authority has the final determination regarding representation from the Project, which may include any Project Agreement Member. Should an activity, such as a meeting, occur where the Project is not on the agenda, yet the Project becomes a discussion topic, the Project Agreement Member in attendance shall, in a timely manner, provide a summary of the Project-related discussions to the Authority.
 - 2.2.2. New Members: The Authority has the sole responsibility to negotiate Project participation requirements and will use the templates developed and used to contract with prior Members as the basis for negotiating. However, members of the Committee are encouraged to identify prospective members and to work with the Authority to expand membership. A Project Agreement Member who has communications with a prospective member shall, in a timely manner, provide a summary of the communication to the Authority.
 - 2.2.3. Landowners: For property owners or tenants whose property may be within the lands identified for construction and/or long term Project operations, a Project Agreement Member contacted shall, in a timely manner, provide a summary of the Project-related contact to the Authority.
 - 2.2.4. All Other: Requests for information regarding the Project will come from across the spectrum. A Project Agreement Member contacted or providing project data and information should use its judgement regarding notifying either the Committee and/or Authority.

- 2.2.5. Nothing in this Section 2 shall constrain a public agency Member's authority to communicate with its customers and landowners on matters concerning the Project or this Agreement.

3. Personnel (Staffing) Management:

- 3.1. Only the Authority is authorized to hire personnel. If it believes there is a need, the Project Agreement Committee may recommend the hiring of additional staff to the Authority Board. The recommendation will be in writing with justification of the need and a proposal for funding the additional position. The Authority Board will consider the Committee's recommendation at its next regular meeting or at a special meeting called for the purpose of considering the recommendation.
- 3.2. Project Agreement Members can, with Authority's approval, provide in-kind services, especially in areas where specialized expertise is needed. Where such assignments are approved, the personnel shall be considered to serve as project staff reporting directly to the General Manager. Any work products developed under such an assignment are deemed to be the intellectual property of the Authority and shall not be distributed without the General Manager's or the Authority's delegated representative's consent.

4. Procurement (Contracting) Management:

- 4.1. Only the Authority is authorized to enter into contracts or agreements. If it believes there is a need, the Project Agreement Committee may recommend the procurement of additional services or equipment to the Authority Board. The recommendation will be in writing with justification of the need and a proposal for funding the additional services or equipment. The Authority Board will consider the Project Agreement Committee's recommendation at its next regular meeting or at a special meeting called for the purpose of considering the recommendation.
- 4.2. Direction to consultants and contractors shall be provided through the Authority's General Manager, unless the General Manager has delegated such responsibility to staff or in writing to a management representative from either a Project Agreement Member.
- 4.3. The Phase 1 work plan anticipates that at least the following services will need to be obtained: Financial advisor, Public Engagement (aka outreach), CEQA legal expertise, water rights expertise, project controls, document management.

- 4.4. For Proposition 1, Chapter 8, agreements are also required with the CWC for funding and with state agencies (i.e., DFW, DWR, SWRCB) for public benefits. The work plan is predicated on the prerequisite work being performed under the management of the Project Agreement Committee for the Authority's use in negotiating and potential execution of such agreements. For these processes, the Authority intends to convene an ad-hoc committee - for each such agreement that is comprised of both Authority and Project Agreement Committee Members.
- 4.5. Should the Project Agreement Committee or Authority decide to pursue other agreements either under Proposition 1, or another state or federally-sponsored program, the Authority intends to convene an ad-hoc committee for each agreement that is comprised of both Authority and Project Agreement Committee Members.
- 4.6. Task Orders and Invoices: For work managed by the Project Agreement Committee, the Project Agreement Committee shall approve each task order and associated invoices for work performed before the Authority will approve any Payment of Claims.
- 4.7. Change Orders: Proposed change orders that are within the material change thresholds only require Project Agreement Committee approval. However, the Authority retains the authority to execute any contract amendments. Proposed change orders that are deemed to exceed the material change thresholds require approval of both the Project Agreement Committee and the Authority before the Authority can proceed with executing such change orders. For either situation, the Authority or the Project Agreement Committee may invoke the dispute resolution process.

5. Scope Management:

- 5.1. Phase 1 Work Plan: The scope of work for the Project Agreement is summarized in Attachment 1 to this Exhibit B. The Authority approved the phase-level plan on 2015 September 21, which occurred well in advance of the CWC having defined both the application and selection requirements. On _____, with the Project Agreement Committee's concurrence, the Authority approved an amended Phase 1 Work Plan, which is summarized in an amended Exhibit B. Most of the effort is to (1) advance the studies needed to submit an application to the CWC for potential State of California cost-share in exchange for providing qualifying public benefits and (2) negotiate the funding agreement and contracts for public the benefits. The 3 primary activities include:

Operations: Planning level studies related to the operation of the reservoir and ancillary facilities to provide both direct and indirect water supply and water supply reliability for both water users and Proposition 1, Chapter 8-defined public benefits. These results will (a) be included in updated environmental document, (b) aid in bringing in additional Members and/or Non-Member Participating Parties, and (c) aid in negotiating contracts for the Proposition 1, Chapter 8-defined public benefits. The scope and cost-certainty of the elements in the work plan are highly dependent upon the CWC's process, which is being developed as regulations.

Storage: Planning level studies related to the design and construction of the reservoir and ancillary facilities. Activities include incorporation of changes to minimize land use impacts, update the environmental analysis associated with the changes, advance grid interconnection studies and key facility siting studies for inclusion into the environmental document, preparation of a publicly available draft environmental document meeting CWC requirements, and preparation of a feasibility study also meeting the CWC's requirements. The scope and cost-certainty of the elements in the work plan are fairly well known with the exception of USBR's congressional mandate to produce a Feasibility Report.

Power: The potential inclusion of pumped-storage to provide renewable energy and to integrate with other renewable energy sources such as solar and wind to aid the State in achieving the renewable energy goals. The scope and cost-certainty of the elements in the work plan are highly dependent upon the future electricity market conditions and process to obtain hydropower licenses.

5.2. Consultant Scopes of Work: The Authority has executed professional services contracts to support the preparation of an application to the CWC by advancing details related to the Project's scope and feasibility, ability to provide Proposition 1, Chapter 8-defined public benefits, and advance the environmental document. The respective documents are referred to as:

- Ch2m: Proposition 1 EIR/EIS and Feasibility Study Assistance to Support Sites Project Authority (SPA) Application to California Water Commission Scope of Work, which was executed on Nov 2, 2015.
- AECOM: Scope of Work and Fee Estimate, Sites Reservoir Feasibility Report, which was executed on Nov 2, 2015.
- LWA: Scope of Work and Fee Estimate to prepare a Project Funding Policy and preparation of the Cost Development Model, which was executed on Oct 16, 2016.

5.3. Project Development Plans: The development of Project-level management plans is currently not included in the approved Phase 1 work plan. The timing to prepare these plans is dependent upon the priorities of the Project Agreement Committee Members. It is anticipated that the budget and priority to prepare these plans will, in part, be dependent upon the addition of new members. At any time, the Project Agreement Committee or the Authority can decide to amend both the annual operating and Phase-level budget to seek approval to proceed. The development of the following plans shall be a joint effort between the Authority and the Committee:

5.3.1. Project Management & Integration Plan: The initial plan should be the development of a project-level work breakdown structure and to document processes being developed to manage the Project to identify areas for improvement.

5.3.2. Communications Management Plan: Elements of this plan should include, but are not limited to, how best to conduct outreach to Members, stakeholders and the public, compile the various communications, especially those related to advancing the Project (e.g. obtain permits and negotiate with landowners).

5.3.3. Staffing Management Plan: The initial plan should focus on how to account for and encourage the use of in-kind services provided by Project Agreement Members.

- 5.3.4. Procurement Management Plan: The initial plan should focus on (a) construction packaging and delivery methods to aid in developing the Prospectus Model and (b) contracts to provide public benefits.
- 5.3.5. Scope Management Plan: The initial plan should develop a process to manage potential changes in scope.
- 5.3.6. Schedule Management Plan: The initial plan should document processes being developed to manage the Project to identify areas for improvement.
- 5.3.7. Cost Management Plan: The initial plan should document processes being developed to manage the Project to identify areas for improvement.
- 5.3.8. Quality Management Plan: Absent a plan, the fundamental requirement is to ensure that services are being provided and work products provided meet the applicable standard of care for the industry or function (e.g. engineering, planning).
- 5.3.9. Risk Management Plan: The initial plan should focus on the more-strategic risks and to develop actions to mitigate the risk. Subsequent versions need to include the development of a risk register with assignment of risk to the applicable stakeholders.
- 5.3.10. Document Management Plan: The initial plan should focus on retention and retrieval of documents and processes to respond to requests for information as required by statute.
- 6. Schedule Management: An executive, project-level schedule plan that outlines the major tasks to be completed in each phase is included as Attachment 2 to this Exhibit B.
- 7. Cost Management:
 - 7.1. The cost management requirements defined in Bylaw Section 14 shall also apply to the Project Agreement Committee.
 - 7.2. Work Plan and Budget delegation to the Committee: **Table 1** defines the portion of the Phase 1 work plan that is associated with the work the Project Agreement Committee will manage going forward and will work with the Authority to maintain an updated Phase 1 budget target. The budget is based on the estimated time that costs would become committed (e.g.

by approval of consultant task orders). This budget is being converted into an incurred cash flow to manage the work to maintain a positive monthly cash flow projection. For this Project, any funds unspent at the end of the fiscal year are added to the subsequent fiscal year's approved budget. At the end of Phase 1, any unspent funds will either be redistributed to the Project Agreement Members in accordance with their participation percentage and/or applied towards the work plan for the next Phase with the Member's approval.

Table 1: Phase 1 Budget Transfer to the Committee:

Cost Center Status:	FY 2015 Adjusted	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast	Total Forecast
Operations	\$ -	\$ 241,520	\$ 326,300	\$ 44,280	\$ 612,100
Power	\$ 906	\$ -	\$ 595,133	\$ 390,140	\$ 986,179
Water	\$ 116,475	\$ 2,664,686	\$ 8,139,969	\$ 2,603,441	\$ 13,524,571
Budget Total	\$ 117,381	\$ 2,906,206	\$ 9,061,402	\$3,037,861	\$ 15,122,850

7.3. Budget Approval Process: As the Project Agreement Committee's work plan is adjusted, the Project Agreement Committee will forecast both an estimated cost at the end of each fiscal year and at the end of Phase 1. The work plan shall be maintained to serve as the basis for preparing a fiscal year's operating budget and revised Phase 1 budget target. The Project Agreement Committee and Authority shall cooperate on the development of each fiscal year budget to ensure the scope and effort of shared activities (e.g. engagement) align and to ensure adequate reserves are maintained and resource plans are in place to ensure adequate staffing levels can be committed to perform the work. At least 2 months prior to the end of each fiscal year, the Project Agreement Committee shall adopt a fiscal year operating budget and revised Phase 1 budget target and present them to the Authority. The Authority shall incorporate them along with budgets developed by other Project Agreement Committees (as appropriate) to approve at the project-level (1) a fiscal year operating budget and (2) a Phase 1 budget target. Should this process result in changes in the total funding amount listed in Table 1 above or Attachment 1 of Exhibit B, Attachment 1 of Exhibit B will be amended by written acknowledgement of each of the Project Agreement Members, which will supersede the amounts shown in Table 1 and Attachment 1 of Exhibit B to calculate each Members funding contribution, which is based on both the Participant's Percentage and Actual Weighted Vote (refer to Agreement, Exhibit A1).

7.4. Budget or Funding Transfers:

- 7.4.1. Transfers or reprioritizations within approved work plan and budget: Either Project Agreement Committee or Authority may unilaterally move work and/or budget amounts between line-items, add, or subtract budget amounts relative to its approved fiscal year budget, provided that the changes do not create a material change or do not require the other party (Authority or Project Agreement Committee) to have to revise its respective work plan and budget. When changes require both parties to adjust their work plans and/or budgets, no changes can be implemented until it has been approved by both the Project Agreement Committee and Authority.
- 7.4.2. Transfers or reprioritizations between Project Agreement Committees and/or Authority: Transfers between the Project Agreement Committee's and Authority's budgets are permitted so long as the associated funding obligations are also adjusted to reflect the transfer of funds from one party to other party, which shall require the approval of both parties before any changes can be implemented.
- 7.5. Reporting: The Project Agreement Committee and Authority shall endeavor to maintain a transparent approach to managing costs through the services of a shared Treasurer and project accountant. Both parties agree to provide timely cost data to the Treasurer and to work diligently to resolve any discrepancies in an expeditious manner. The Treasurer shall provide timely reporting to both the Authority and Project Agreement Committee.
- 7.6. Auditing: The Authority shall ensure that the Project costs are audited annually and the results are shared with the Project Agreement Committee.
- 7.7. Accounts Receivable and Payable: The Project Agreement Committee and Authority agree to utilize a common software platform and processes (e.g. common fiscal year) to ensure timely collection and payment. Should the Authority's auditor determine that corrections are required to comply with the Agreement, bylaws and/or Generally Accepted Accounting Principles, both parties shall work diligently to correct the deficiency to the auditor's satisfaction.

8. Reserved for Quality Management: (Future amendment)

9. Risk Management:

9.1. Key Risks affecting Phase 1 include and are not limited to the following:

9.1.1. Project Development: Prior to passage of Proposition 1, the Sites Reservoir Project was being advanced by DWR in coordination with USBR with the inherent project development risks essentially being 'backstopped' financially by the creditworthiness of the State and the United States. To be eligible for cost-share under Proposition 1, Chapter 8, the project applicant has to be local and is required to secure participation, primarily from other public water agencies and potentially private investment. While it is possible for the State to provide non-public benefit funding (i.e. participate on behalf of the State Water Contractors) and for the United States to provide funding (i.e. participate on behalf of the CVP contractors or implementation of portions of CVPIA), to date, neither agency has expressed interest in participating in the Project other than support the Project's operations for both water supply and public benefits.

9.1.2. CEQA Lead Agency: Currently, DWR has this role. The Authority has met with DWR regarding the transfer of this responsibility, which the Authority believes is needed for the Authority to be the applicant for any Proposition 1, Chapter 8 process.

9.1.3. Water Rights: On 1977 September 30, the SWRCB accepted DWR's water rights application for 3,164,000 acre-ft. from a combination of sources: Stone Corral Creek, Funks Creek, two locations on the Sacramento River, and Willow Creek. To finance construction of this Project, the water rights will be needed as the principal asset. It is expected that DWR will assign this water right to the Authority, which in turn would assign it to the entity that will secure the financing.

9.1.4. Many Potential Sources for Schedule Delay: There are a number of Project activities that are not within the Authority's control and therefore could become sources of delay, especially given the complexity of the Project and complexity of some of the statutory requirements. The primary activities focus on:

- Demonstrating CEQA/NEPA & CESA/ESA compliance, which will

require successful completion of the NEPA process by USBR, acceptance of the CEQA process by responsible and trustee agencies, issuance of incidental take authorizations from federal resource agencies, issuance of other permits by CDFW, USACE, SWRCB, RWQCBs and other permits.

- Land and right-of-way acquisition, and
- CWC's Selection & Evaluation Process, which is of most concern for Phase 1. Preparation of an application for Proposition 1, Chapter 8 funding has to occur in a parallel 'track' with the CWC's process to develop regulations. Once the regulations are adopted, there is a three-month period for applicants to submit the mandatory pre-application. Then, based on CA Water Commission staff's assessment, the applicant has up to six-months to submit a full application. This schedule has already slipped and is prone to additional slippage. Additional sources of delay could occur should the approved regulations be legally challenged. In addition to the uncertainty of the scope of work needed to prepare the application, the cost of delay is the biggest risk.
- Issuance of a water right permit by the SWRCB.

9.1.5. Contracting for Public Benefits: State funding under Proposition 1, Chapter 8 contains a provision that the applicant contract with DFW, DWR, and SWRCB for the public benefits. This is a new process and given the uncertainty in annual hydrology and a potential future with climate change, contract guarantees become challenging. In addition, these same agencies will be required to issue permits before the start of any construction.

9.1.6. USBR Feasibility Report: Congress authorized USBR to study the feasibility of the CalFed Storage Projects, including Sites Reservoir, and provide its findings by 2016 Nov 30. Prior to submitting a final report, USBR's typical process includes (1) public review and (2) a finding related to the Project being in the public interest. A finding of support is needed before any congressional appropriations could occur.

<u>Revision</u>	<u>Effective Date</u>	<u>Status or Authorizing Action</u>
2	2016 Nov 21	Approved by Authority & Reservoir Committee for use.

Exhibit B, Attachment 1: Phase 1 Work Plan

Working Draft: 11/14/2016

Expense (-) Expense
Category (Multiple Items)
Function (All)
Name (All)

			Values							
File	Grouping	Cost Center	Number	WIP	Description	Sum of Total 2015	Sum of Total 2016	Sum of Total 2017	Sum of Total 2018	Sum of Phase 1 Total
	Reservoir	Operations	13	Existing	Water Rights Legal Counsel	\$ -	\$ -	\$ (80,000)	\$ (15,000)	\$ (95,000)
			25	Existing	Feasibility Report, TO #2 (X % of Task 9)	\$ -	\$ -	\$ -	\$ -	\$ -
			25	Existing	TO#1-Env & Ops NTP#1 (Task #3: WSIP CalSim Support)	\$ -	\$ (162,000)	\$ -	\$ -	\$ (162,000)
			25.1	Existing	TO#1-Env & Ops NTP#2 (Task #5.2) USBR+	\$ -	\$ (55,000)	\$ -	\$ -	\$ (55,000)
				Existing	TO#1-Env & Ops NTP#2 (Task #6.2) DWR	\$ -	\$ (10,000)	\$ (45,000)	\$ -	\$ (55,000)
			30	NEW	H2O Manager, Services	\$ -	\$ -	\$ -	\$ -	\$ -
			42	NEW	H2O Manager, Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
					Water Rights Strategy Development	\$ -	\$ (9,520)	\$ (47,600)	\$ -	\$ (57,120)
					Water Rights Technical Assessment	\$ -	\$ (5,000)	\$ (33,000)	\$ -	\$ (38,000)
					Water Rights Supporting Documentation	\$ -	\$ -	\$ (40,000)	\$ -	\$ (40,000)
					Water Rights Strategy for Colusa Basin Drain (Divert Flood Flows & Release for Yolo Bypass)	\$ -	\$ -	\$ (80,700)	\$ -	\$ (80,700)
					Water Rights Next Steps	\$ -	\$ -	\$ -	\$ (29,280)	\$ (29,280)
					Water Rights for Colusa Basin Drain Technical Assessment (Phase 2)	\$ -	\$ -	\$ -	\$ -	\$ -
					Colusa Basin Drain Feasibility Study (Phase 2)	\$ -	\$ -	\$ -	\$ -	\$ -
	Operations Total					\$ -	\$ (241,520)	\$ (326,300)	\$ (44,280)	\$ (612,100)
	Power		13	Existing	Legal Services, Holland (Federal/Power)	\$ (906)	\$ -	\$ -	\$ -	\$ (906)
				NEW	Legal Services, Hydropower	\$ -	\$ -	\$ (40,000)	\$ -	\$ (40,000)
			14	NEW	FERC Permit & License Strategy	\$ -	\$ -	\$ (30,000)	\$ -	\$ (30,000)
			30	Existing	Understanding of Regulatory Changes	\$ -	\$ -	\$ (10,000)	\$ -	\$ (10,000)
					Market Research/Interest	\$ -	\$ -	\$ (10,000)	\$ -	\$ (10,000)
					Estimate Potential	\$ -	\$ -	\$ -	\$ -	\$ -

Exhibit B, Attachment 1: Phase 1 Work Plan

				Values									
Grouping	Cost Center	File Number	WIP	Description	Sum of Total 2015	Sum of Total 2016	Sum of Total 2017	Sum of Total 2018	Sum of Phase 1 Total				
Reservol	Power	30	Existing	Owner-Controlled Contingency:	\$ -	\$ -	\$ (132,000)	\$ (63,380)	\$ (195,380)				
				Hydropower									
				Prepare Power Developer Solicitation (Defer to Phase 2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
				Prepare & File Permit Applications (FERC) (blank)	\$ -	\$ -	\$ (60,000)	\$ -	\$ (60,000)	\$ -			
				Initial Grid Interconnection Study (Holthouse) - WAPA	\$ -	\$ -	\$ (50,000)	\$ (50,000)	\$ (100,000)	\$ -			
				Initial Grid Interconnection Study (Holthouse) - PG&E	\$ -	\$ -	\$ (50,000)	\$ (50,000)	\$ (100,000)	\$ -			
				Initial Grid Interconnection Study (Delevann) - WAPA	\$ -	\$ -	\$ (50,000)	\$ (50,000)	\$ (100,000)	\$ -			
				Initial Grid Interconnection Study (Delevann) - PG&E	\$ -	\$ -	\$ (50,000)	\$ (50,000)	\$ (100,000)	\$ -			
				PWR Manager, Services	\$ -	\$ -	\$ (103,133)	\$ (123,760)	\$ (226,893)	\$ -			
				PWR Manager, Expenses	\$ -	\$ -	\$ (10,000)	\$ (3,000)	\$ (13,000)	\$ -			
				Power Total	\$ (906)	\$ -	\$ (595,133)	\$ (390,140)	\$ (986,179)	\$ -			
				Water	10	Existing	General Manager, Expenses	\$ (7,796)	\$ (31,380)	\$ (35,840)	\$ (15,360)	\$ (90,375)	\$ -
							General Manager, Services	\$ (108,679)	\$ (308,948)	\$ (311,683)	\$ (155,842)	\$ (885,153)	\$ -
							Owner-Controlled Contingency: Non-Ch2m or AECOM Work	\$ -	\$ -	\$ (165,000)	\$ (30,000)	\$ (195,000)	\$ -
							Administrative Support to GM (part-time)	\$ -	\$ (6,076)	\$ (9,600)	\$ (4,800)	\$ (20,476)	\$ -
Administrative Support to GM (Full-time)	\$ -	\$ -	\$ (40,960)				\$ (30,720)	\$ (71,680)	\$ -				
Ops Manager, Services	\$ -	\$ -	\$ (185,640)				\$ (123,760)	\$ (309,400)	\$ -				
Ops Manager, Expenses	\$ -	\$ -	\$ (21,600)				\$ (10,800)	\$ (32,400)	\$ -				
Ops Project Administrator	\$ -	\$ -	\$ (271,320)				\$ (180,880)	\$ (452,200)	\$ -				
Ops Mgr Support Staff	\$ -	\$ -	\$ (124,950)				\$ (142,800)	\$ (267,750)	\$ -				
PMO Support Services (AECOM Task 15)	\$ -	\$ -	\$ (164,368)				\$ (82,184)	\$ (246,552)	\$ -				
Update Terrestrial & Plant Studies for BA	\$ -	\$ -	\$ (75,000)				\$ -	\$ (75,000)	\$ -				
Advance EIR/S Beyond Pre-Admin Draft	\$ -	\$ -	\$ (160,000)				\$ -	\$ (160,000)	\$ -				
10.4	Existing												

Exhibit B, Attachment 1: Phase 1 Work Plan

File			Values					
Grouping	Cost Center	Number WIP	Description	Sum of Total 2015	Sum of Total 2016	Sum of Total 2017	Sum of Total 2018	Sum of Phase 1 Total
Reservoir	Water	10.4	Existing					
			Operations (Annualized Yield) Support During CWC Negotiations	\$ -	\$ -	\$ (100,000)	\$ -	\$ (100,000)
			Land & ROW (Temporary Access) MOVED TO PHASE 2	\$ -	\$ -	\$ -	\$ -	\$ -
		10.6	Mod					
			Project Scheduler	\$ -	\$ -	\$ (117,810)	\$ (80,325)	\$ (198,135)
		10.7	Existing					
			Bond Counsel	\$ -	\$ -	\$ -	\$ -	\$ -
			Cost Development Model (Grant Management & Administration Services)	\$ -	\$ (30,000)	\$ (120,000)	\$ (60,000)	\$ (210,000)
			Financial Advisory Services (Bond Strategy Development)	\$ -	\$ -	\$ (71,400)	\$ (35,700)	\$ (107,100)
			Cost Accountant & Bookkeeper (Formerly Controls Manager)	\$ -	\$ -	\$ (101,745)	\$ (74,970)	\$ (176,715)
		10.8	NEW					
			Quality Program Manager (w/ Support staff)	\$ -	\$ -	\$ (81,317)	\$ (35,700)	\$ (117,017)
			Technical Advisory Committee	\$ -	\$ -	\$ (40,000)	\$ -	\$ (40,000)
		10.9	Existing					
			Insurance (Commercial & General L & Professional L)	\$ -	\$ (7,500)	\$ (7,500)	\$ -	\$ (15,000)
			Risk Program Manager (w/ Support staff)	\$ -	\$ -	\$ (83,300)	\$ (221,380)	\$ (304,680)
		11	Existing					
			Document Controls Manager	\$ -	\$ -	\$ (160,650)	\$ (64,260)	\$ (224,910)
		13	Existing					
			CEQA Legal Counsel	\$ -	\$ (34,810)	\$ (140,000)	\$ -	\$ (174,810)
			NEPA Legal Counsel	\$ -	\$ (8,278)	\$ (50,000)	\$ -	\$ (58,278)
			Administrative Record - Assessment	\$ -	\$ -	\$ -	\$ -	\$ -
			Administrative Record Support/Compile	\$ -	\$ -	\$ (100,000)	\$ -	\$ (100,000)
		20	NEW					
			EPP Manager, Services	\$ -	\$ (76,160)	\$ (456,960)	\$ (228,480)	\$ (761,600)
			EPP Manager, Expenses	\$ -	\$ (12,000)	\$ (72,000)	\$ (36,000)	\$ (120,000)
			EPP Manager (Staff Support)	\$ -	\$ (4,760)	\$ (28,560)	\$ -	\$ (33,320)
		22	Existing					
			Prepare Prop 1, Chapter 8 Solicitation	\$ -	\$ -	\$ (50,000)	\$ -	\$ (50,000)
			Retain Former DWR PM for EIR/S (Retired Annuitant)	\$ -	\$ -	\$ (30,000)	\$ -	\$ (30,000)
			Independent Review EIR/S (in-lieu of Members' Staff)	\$ -	\$ -	\$ (200,000)	\$ -	\$ (200,000)
		24	Existing					
			Update Aquatic Studies for BA	\$ -	\$ -	\$ (25,000)	\$ -	\$ (25,000)
			Update Cultural Resource & Tribal Studies	\$ -	\$ -	\$ (10,000)	\$ -	\$ (10,000)

Exhibit B, Attachment 1: Phase 1 Work Plan

				Values					
Grouping	Cost Center	File Number	WIP	Description	Sum of Total 2015	Sum of Total 2016	Sum of Total 2017	Sum of Total 2018	Sum of Phase 1 Total
Reservoir	Water								
		24	Existing	Develop Mitigation Plan & Locations for inclusion into EIR/S	\$ -	\$ -	\$ (30,000)	\$ -	\$ (30,000)
		25	Existing	Incorporate Grid Interconnection into Owner-Controlled Contingency: Env & Ops	\$ -	\$ -	\$ -	\$ -	\$ -
			NEW	Public Engagement & Outreach During <small>Public Division of EIR/S</small>	\$ -	\$ -	\$ (294,000)	\$ (60,000)	\$ (354,000)
				Owner-Controlled Contingency: Ops & CalSim	\$ -	\$ -	\$ (60,000)	\$ -	\$ (60,000)
					\$ -	\$ -	\$ (100,000)	\$ (150,000)	\$ (250,000)
		25	Existing	TO#1-Env & Ops (Task #1: WSIP Feasibility Study Support)	\$ -	\$ (288,455)	\$ -	\$ -	\$ (288,455)
			NEW	TO#3-Subtask 1.5.1 - WSIP Operations Assumptions Refinement	\$ -	\$ (70,000)	\$ (65,000)	\$ -	\$ (135,000)
				TO#3-Subtask 1.5.2 - WSIP Analytical Framework	\$ -	\$ (60,000)	\$ (95,000)	\$ -	\$ (155,000)
				TO#3-Subtask 1.5.3 - WSIP Modeling of Alternative D	\$ -	\$ (75,000)	\$ (150,000)	\$ -	\$ (225,000)
				TO#3-Subtask 1.5.4 - WSIP Application Metrics Development	\$ -	\$ -	\$ (70,000)	\$ -	\$ (70,000)
				TO#3-Subtask 1.5.5 - WSIP Technical Documentation	\$ -	\$ -	\$ (120,000)	\$ -	\$ (120,000)
				TO#3-Subtask 1.5.6 - WSIP Meetings, Coordination and Support	\$ -	\$ (30,000)	\$ (50,000)	\$ -	\$ (80,000)
				TO#3-Subtask 1.5.7 - CWC Response and Technical Support	\$ -	\$ -	\$ (35,000)	\$ -	\$ (35,000)
				TO#3-Subtask 1.5.8 - Sites Reservoir Sensitivity Scenarios	\$ -	\$ -	\$ (140,000)	\$ -	\$ (140,000)
		25	NEW	TO#2-Task 1.6 - USBR Review Federal Feasibility Study	\$ -	\$ -	\$ (40,000)	\$ -	\$ (40,000)
		25	Existing	TO#1-Env & Ops (Task #2: Confirm Analysis Approach/Base Case Assumptions)	\$ -	\$ (50,541)	\$ (22,917)	\$ -	\$ (73,458)
				TO#1-Env & Ops (Task #4: Permit Risk Evaluation)	\$ -	\$ (5,000)	\$ -	\$ -	\$ (5,000)
		25.1	Existing	TO#1-Env & Ops (Task #5.1) USBR+	\$ -	\$ (20,000)	\$ -	\$ -	\$ (20,000)

Exhibit B, Attachment 1: Phase 1 Work Plan

						Values						
File		Grouping		Cost Center		Description						
Reservoir	Water	Number	WIP	Sum of Total	2015	Sum of Total	2016	Sum of Total	2017	Sum of Total	2018	Sum of Phase 1 Total
25.1	Existing	25.1	NEW	TO#1-Env & Ops (Task #6.1) DWR	\$ -	\$ (5,000)	\$ (15,000)	\$ -	\$ (20,000)			
25.1	NEW	25.1	NEW	TO#2-Task 6.3 - CEQA Lead Agency Coordination Support (including AB52 Compliance)	\$ -	\$ (50,000)	\$ (270,000)	\$ -	\$ (320,000)			
				TO#2-Task 6.4 - CEQA Lead Agency Coordination Support (including AB52 Compliance)	\$ -	\$ -	\$ (120,000)	\$ (130,000)	\$ (250,000)			
25.1	Mod	25.1	Mod	TO#1-Env & Ops TO #2 (Task #7) 1st Draft	\$ -	\$ (256,000)	\$ -	\$ -	\$ (256,000)			
				TO#2-Subtask 7.5.1 Public Draft Revisions to Introductory/Project Desc Chapters	\$ -	\$ (60,000)	\$ (89,000)	\$ -	\$ (149,000)			
				TO#2-Subtask 7.5.2 - Public Draft Impact Analysis and Required Revisions to Resource Chapters	\$ -	\$ (167,000)	\$ (400,000)	\$ -	\$ (567,000)			
			NEW	TO#2-Subtask 7.5.3 CALSIM (2015 version) Modeling of NODOS Alternatives A, B, and C	\$ -	\$ -	\$ (150,000)	\$ -	\$ (150,000)			
				TO#2-Subtask 7.5.4 - Public Draft Revisions to Appendices	\$ -	\$ (25,000)	\$ (125,000)	\$ -	\$ (150,000)			
				TO#2-Subtask 7.5.5 - Public Draft Revisions Based on Reclamation Comments on Preliminary EIR/EIS	\$ -	\$ (10,000)	\$ (40,000)	\$ -	\$ (50,000)			
				TO#2-Subtask 7.5.6 - Public Draft Reclamation/Federal Agency Coordination to Produce Public Draft	\$ -	\$ (15,000)	\$ (60,000)	\$ -	\$ (75,000)			
25.1	Existing	25.1	Existing	TO#1-Env & Ops NTP#2 (Task #8: Calsim for EIR/S)	\$ -	\$ (162,000)	\$ -	\$ -	\$ (162,000)			
25.1	Existing	25.1	Existing	TO#1-Env & Ops NTP#3 (Task #9) 2nd Draft	\$ -	\$ -	\$ -	\$ -	\$ -			
	Mod		Mod	TO#2-Subtask 9.1.1 - Revision of Administrative Public Draft EIR/EIS	\$ -	\$ -	\$ (172,000)	\$ -	\$ (172,000)			
				TO#2-Subtask 9.1.2 - Preparation of Public Draft EIR/EIS	\$ -	\$ -	\$ (138,000)	\$ -	\$ (138,000)			

Exhibit B, Attachment 1: Phase 1 Work Plan

			Values						
Grouping	Cost Center	File Number	WIP	Description	Sum of Total 2015	Sum of Total 2016	Sum of Total 2017	Sum of Total 2018	Sum of Phase 1 Total
Reservoir	Water	25.1	Mod	TO#2-Subtask 9.1.3 - Rehabilitation Act	\$ -	\$ -	\$ (40,000)	\$ -	\$ (40,000)
		25.1	Existing	Section 508 Compliance	\$ -	\$ -	\$ (49,456)	\$ -	\$ (49,456)
		25.1	Existing	TO#1-Env & Ops NTP#3 (Task #10) Final Draft	\$ -	\$ -	\$ (50,000)	\$ -	\$ (50,000)
		25.1	Existing	TO#1-Env & Ops NTP#3 (Task #11) Public Meeting Assistance	\$ -	\$ -	\$ (100,000)	\$ (50,000)	\$ (150,000)
		25.1	NEW	TO#2-Task 12 - Review of Public Comments/Proposed Response Approach	\$ -	\$ -	\$ (230,000)	\$ (70,000)	\$ (300,000)
		25.1	NEW	TO#2-Task 13 - Permits and Environmental Compliance Plan	\$ -	\$ -	\$ -	\$ (20,535)	\$ (20,535)
		30	Existing	Optimize Design of the Proposed Project ACWA Storage Integration Work Group	\$ -	\$ (30,000)	\$ -	\$ -	\$ (30,000)
			NEW	Technical Study Participation	\$ -	\$ -	\$ -	\$ (285,600)	\$ (285,600)
			NEW	EPC Manager, Services	\$ -	\$ -	\$ -	\$ (18,000)	\$ (18,000)
			Existing	EPC Manager, Expenses	\$ -	\$ (6,000)	\$ (50,000)	\$ -	\$ (56,000)
		32	Existing	Engineering Support During CWC Negotiations	\$ -	\$ -	\$ (231,479)	\$ (68,449)	\$ (299,927)
				Owner-Controlled Contingency: Engineering	\$ -	\$ -	\$ (60,000)	\$ (40,000)	\$ (100,000)
		32	Existing	Owner-Controlled Contingency: WSIP WSIP Feasibility Report TO #1 (Task 1, 2, 3)	\$ -	\$ (17,750)	\$ -	\$ -	\$ (17,750)
		32	Existing	WSIP Feasibility Report, TO #2 (Task 4, 5 & 9)	\$ -	\$ (260,484)	\$ -	\$ -	\$ (260,484)
				WSIP Feasibility Report, TO #2 (Task 10) Grid Interconnection Studies	\$ -	\$ (35,000)	\$ -	\$ -	\$ (35,000)
		32	Existing	WSIP Feasibility Report TO #3 (Task 6)	\$ -	\$ (150,000)	\$ (228,570)	\$ -	\$ (378,570)
				WSIP Feasibility Report TO #3 (Task 7)	\$ -	\$ (30,000)	\$ (151,183)	\$ -	\$ (181,183)
				WSIP Feasibility Report TO #3 (Task 8)	\$ -	\$ (170,000)	\$ (140,950)	\$ -	\$ (310,950)
			NEW	Task 14: EIR/S Support (geotechnical)	\$ -	\$ (10,000)	\$ (46,676)	\$ -	\$ (56,676)
				Task 8.1 WSIP Feasibility Rpt: Economics	\$ -	\$ -	\$ (38,536)	\$ -	\$ (38,536)
				Task 8.2 WSIP Ecosystem Priorities & Relative Values	\$ -	\$ -	\$ (102,939)	\$ -	\$ (102,939)

Exhibit B, Attachment 1: Phase 1 Work Plan

Values										
File	Grouping	Cost Center	Number	WIP	Description	Sum of Total 2015	Sum of Total 2016	Sum of Total 2017	Sum of Total 2018	Sum of Phase 1 Total
32	NEW	Water	32	NEW	Task 8.3 Water Quality Priorities & Relative Values	\$ -	\$ -	\$ (49,147)	\$ -	\$ (49,147)
					Task 8.4 WSIP RFI Comment Response	\$ -	\$ -	\$ (85,000)	\$ (96,897)	\$ (181,897)
					Tak 8.5 WSIP: CWC Coordination	\$ -	\$ (7,000)	\$ (22,914)	\$ -	\$ (29,914)
			32	Existing	Feasibility Report, TO #4 (Task 11 & 12)	\$ -	\$ (61,539)	\$ -	\$ -	\$ (61,539)
					Feasibility Report, TO #4 (Task 13) Colusa Basin Drain Study	\$ -	\$ (18,005)	\$ -	\$ -	\$ (18,005)
			42	Existing	Assess GIS datasets for use in preparing draft EIR/S	\$ -	\$ -	\$ -	\$ -	\$ -
					Update GIS for use in draft EIR/S	\$ -	\$ -	\$ -	\$ -	\$ -
					Water Total	\$ (116,475)	\$ (2,664,686)	\$ (8,139,969)	\$ (2,603,441)	\$ (13,524,571)
					Reservoir Total	\$ (117,381)	\$ (2,906,206)	\$ (9,061,402)	\$ (3,037,361)	\$ (15,122,850)
					Grand Total	\$ (117,381)	\$ (2,906,206)	\$ (9,061,402)	\$ (3,037,361)	\$ (15,122,850)

Exhibit B, Attachment 2: AMENDED Phase-level Schedule Plan

