

SOLANO COUNTY WATER AGENCY



BOARD OF DIRECTORS:

Chair:

Director Dale Crossley
Reclamation District No. 2068

Vice Chair:

Supervisor Erin Hannigan
Solano County District 1

Mayor Len Augustine
City of Vacaville

Mayor Jack Batchelor
City of Dixon

Mayor Osby Davis
City of Vallejo

Director John D. Kluge
Solano Irrigation District

Mayor Elizabeth Patterson
City of Benicia

Mayor Harry Price
City of Fairfield

Mayor Norm Richardson
City of Rio Vista

Director Gene Robben
Maine Prairie Water District

Mayor Pete Sanchez
City of Suisun City

Supervisor Linda Seifert
Solano County District 2

Supervisor Jim Spering
Solano County District 3

Supervisor Skip Thomson
Solano County District 5

Supervisor John Vasquez
Solano County District 4

GENERAL MANAGER:

Roland Sanford
Solano County Water Agency

BOARD OF DIRECTORS MEETING

DATE: Thursday, December 10, 2015

TIME: 6:30 p.m.

PLACE: Berryessa Room
Solano County Water Agency Office
810 Vaca Valley Parkway, Suite 203
Vacaville

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **APPROVAL OF AGENDA**
4. **PUBLIC COMMENT**

Limited to 3 minutes for any one item not scheduled on the Agenda.

5. **CONSENT ITEMS**

(A) **Minutes:** Approval of the Minutes of the Board of Directors meeting of November 12, 2015 is recommended.

(B) **Expenditure Approvals:** Approval of the November checking account register is recommended.

(C) **State Water Project Tolling Agreement:** Authorize General Manager to execute the sixth amendment to the Tolling Waiver Agreement with the California Department of Water Resources regarding State Water Project charges.

(D) **Flood Control Advisory Committee Re-Appointments:** Reappoint public members Ron Campbell, Terry Connelly, Ron Koehne, and Laura Peters to two year terms on the Flood Control Advisory Committee.

810 Vaca Valley Parkway, Suite 203
Vacaville, California 95688
Phone (707) 451-6090 • FAX (707) 451-6099
www.scwa2.com



(E) Amendment to the Putah South Canal Headworks Project: Authorize General Manager to execute Amendment No. 2, for an increase of \$47,000, with Smith Inspection.

6. **BOARD MEMBER REPORTS**

RECOMMENDATION: For information only.

7. **GENERAL MANAGER'S REPORT**

RECOMMENDATION: For information only.

8. **STATUS UPDATE: PREPARATION OF SCWA STRATEG PLAN**

RECOMMENDATION: Hear General Manager's report and provide direction to staff

9. **STATUS UPDATE: GROUNDWATER MANAGEMENT OF SOLANO SUBBASIN PURUSANT TO SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

RECOMMENDATION: Hear General Manager's report and provide direction to staff

10. **AGREEMENT WITH AG INNOVATIONS FOR SUPPLEMENTAL FACILITATION SERVICES**

RECOMMENDATION: Authorize General Manager to execute \$81,140 agreement with AG Innovations for supplemental facilitation services in support of GSA (Groundwater Sustainability Agency) formation for the Solano Subbasin.

11. **WATER POLICY UPDATES**

RECOMMENDATIONS:

1. Hear report from staff on current and emerging Delta and Water Policy issues and provide direction.
2. Hear status report from Committee Chair Supervisor Seifert on activities of the SCWA Water Policy Committee.
 - Next Scheduled Meeting: January 11, 2015 at Solano County Water Agency in Vacaville.
3. Hear report from Supervisor Thomson on activities of the Delta Counties Coalition and Delta Protection Commission.
4. Hear report from Legislative Committee.

12. TIME AND PLACE OF NEXT MEETING

Thursday, January 7, 2015 at 6:30 p.m. at the SCWA offices.

The Full Board of Directors packet with background materials for each agenda item can be viewed on the Agency's website at www.scwa2.com.

Any materials related to items on this agenda distributed to the Board of Directors of Solano County Water Agency less than 72 hours before the public meeting are available for public inspection at the Agency's offices located at the following address: 810 Vaca Valley Parkway, Suite 203, Vacaville, CA 95688. Upon request, these materials may be made available in an alternative format to persons with disabilities.

Dec.2015.bod.agd

CONSENT ITEMS

SOLANO COUNTY WATER AGENCY
BOARD OF DIRECTORS MEETING MINUTES

MEETING DATE: November 12, 2015

The Solano County Water Agency Board of Directors met this evening at the Solano County Water Agency. Present were:

Supervisor Erin Hannigan, Solano County District 1
Supervisor Linda Seifert, Solano County District 2
Supervisor James Spering, Solano County District 3
Supervisor John Vasquez, Solano County District 4
Supervisor Skip Thomson, Solano County District 5
Council Member Curtis Hunt, City of Vacaville
Mayor Pete Sanchez, City of Suisun City
Mayor Jack Batchelor, City of Dixon
Mayor Harry Price, City of Fairfield
Mayor Elizabeth Patterson, City of Benicia
Mayor Osby Davis, City of Vallejo
Director J. D. Kluge, Solano Irrigation District
Director Dale Crossley, Reclamation District 2068
Manager Don Holdener, Maine Prairie Water District

CALL TO ORDER

The meeting was called to order at 6:30 P.M. by Chairman Crossley.

APPROVAL OF AGENDA

On a motion by Mayor Patterson and a second by Supervisor Hannigan the Board unanimously approved the agenda.

PUBLIC COMMENT

There were no comments.

CONSENT ITEMS

On a motion by Supervisor Hannigan and a second by Mayor Batchelor the Board unanimously approved the following Consent Items:

- (A) Minutes
- (B) Expenditure Approvals
- (C) Contract amendment for continued administration of Proposition 84 Bay Area Integrated Regional Water Management Conservation Grant
- (D) Contract with Integrated Environmental Restoration Services, Inc. (IERS)
- (E) PG&E/Water Agency High Efficiency Washer Rebate Initiative
- (F) Bay Area Proposition 84 integrated Regional Water Management Grant

BOARD MEMBER REPORTS

There were no Board Member reports.

GENERAL MANAGER'S REPORT

There were no additions to the General Manager's written report.

SCWA STRATEGIC PLANNING UPDATE

Jodie Monaghan, a sub-contractor of Kennedy Jenks Consultants, presented the aggregated results of the strategic plan stakeholder's interviews for Phase I of the strategic plan update. She outlined the following stakeholder concerns based on the assessment: Reliability, Infrastructure, Groundwater Management, Drought/Climate Change, Flood Management, Watershed Management, Funding, Regulations, Public Outreach, and SCWA's role related to these concerns. SCWA's strengths and weaknesses based on the assessment were discussed as well as the expectations and the schedule of the strategic plan update.

There was considerable discussion regarding the need for an overall policy discussion at the Board level on the future role (expanse?) of the Agency in countywide water issues. A careful discussion to determine the roles of the Agency, County, Cities, and overlaps in a manner that does not infringe on each agency responsibilities would be required. The Strategic Planning Group will review the Agency's current function, mission, and vision and make a recommendation on next steps. The Board requested copies of Jodie's presentation, and background materials: Strategic Planning Stakeholder Group Charter, and Agency formation act for review.

On a motion by Supervisor Seifert and a second by Mayor Patterson the Board unanimously approved the following:

1. Expand the SCWA Strategic Planning Stakeholder Group to include representation from Vallejo, Rio Vista, and the City of Suisun City.
2. Affirm that the strategic plan will be a 10 year plan with a 20-25 year planning horizon.

GROUNDWATER MANAGEMENT OF SOLANO SUB-BASIN PURSUANT TO SUSTAINABLE GROUNDWATER MANAGEMENT ACT AND WATER POLICY UPDATES

On a motion by Mayor Patterson and a second by Mayor Sanchez the Board unanimously approved moving these two agenda items to a future meeting date due to time constraints with the 4 C's meeting occurring following the tonight's board meeting.

TIME AND PLACE OF NEXT MEETING

The next regularly scheduled meeting will be Thursday, December 10, 2015 at 6:30 p.m. in the Berryessa Room located at the Solano County Water Agency offices.

ADJOURNMENT

This meeting of the Solano County Water Agency Board of Directors was adjourned at 7:53 p.m.

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

ACTION OF
SOLANO COUNTY WATER AGENCY

DATE: December 10, 2015

SUBJECT: Expenditures Approval

RECOMMENDATION:


Approve expenditures from the Water Agency checking accounts for the month of November, 2015.

FINANCIAL IMPACT:

All expenditures are within previously approved budget amounts.

BACKGROUND:

The Water Agency auditor has recommended that the Board of Directors approve all expenditures (in arrears). Attached is a summary of expenditures from the Water Agency’s checking accounts for the month of November, 2015. Additional backup information is available upon request.

Recommended: 
Roland Sanford, General Manager

<input type="checkbox"/> Approved as recommended	<input type="checkbox"/> Other (see below)
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Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on December 10, 2015 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

SOLANO COUNTY WATER AGENCY
Cash Disbursements Journal
For the Period From Nov 1, 2015 to Nov 30, 2015

Filter Criteria includes: Report order is by Check Number. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
11/10/15	27077V	2020SC 1020SC	Invoice: NICK HANLEY SAND HILL ADVISORS	745.00	745.00
11/4/15	27206V	2020SC 1020SC	Invoice: CARMEN BORJA SAND HILL ADVISORS	119.00	119.00
11/12/15	27335V	2020SC 1020SC	Invoice: MARY EBLE SAND HILL ADVISORS	688.00	688.00
11/4/15	27375V	2020SC 1020SC	Invoice: NANCY CASTILLO SAND HILL ADVISORS	527.00	527.00
11/12/15	27409	2020SC 1020SC	Invoice: 2040513 AMERICAN TOWER CORPORATION	534.63	534.63
11/12/15	27409V	2020SC 1020SC	Invoice: 2040513 AMERICAN TOWER CORPORATION	534.63	534.63
11/12/15	27410	2020SC 1020SC	Invoice: 100798 ANALYTICAL SCIENCES	2,495.50	2,495.50
11/12/15	27410V	2020SC 1020SC	Invoice: 100798 ANALYTICAL SCIENCES	2,495.50	2,495.50
11/12/15	27411	2020SC 1020SC	Invoice: PROGRESS PAYMENT 4 ANDERSON PACIFIC ENGINEERING, CO.	147,409.60	147,409.60
11/12/15	27411V	2020SC 1020SC	Invoice: PROGRESS PAYMENT 4 ANDERSON PACIFIC ENGINEERING, CO.	147,409.60	147,409.60
11/12/15	27412	2020SC 2020SC 2020SC 1020SC	Invoice: BA4180 Invoice: BA4181 Invoice: BA4182 BLANKINSHIP & ASSOCIATES, INC.	2,550.00 1,216.67 1,833.33	5,600.00
11/12/15	27412V	2020SC 2020SC 2020SC 1020SC	Invoice: BA4180 Invoice: BA4181 Invoice: BA4182 BLANKINSHIP & ASSOCIATES, INC.	5,600.00	2,550.00 1,216.67 1,833.33
11/12/15	27413	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 0073197 Invoice: 0073196 Invoice: 0073934 Invoice: 0073615 Invoice: 0073933 Invoice: 0074155 Invoice: 0074158 BSK ASSOCIATES	4,977.50 59.00 1,377.00 2,548.75 2,639.24 2,004.00 6,205.50	19,810.99
11/12/15	27413V	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 0073197 Invoice: 0073196 Invoice: 0073934 Invoice: 0073615 Invoice: 0073933 Invoice: 0074155 Invoice: 0074158 BSK ASSOCIATES	19,810.99	4,977.50 59.00 1,377.00 2,548.75 2,639.24 2,004.00 6,205.50
11/12/15	27414	2020SC 1020SC	Invoice: 10.23.15 - 11.22.15 AT&T MOBILITY	144.14	144.14
11/12/15	27414V	2020SC 1020SC	Invoice: 10.23.15 - 11.22.15 AT&T MOBILITY	144.14	144.14
11/12/15	27415	2020SC 1020SC	Invoice: OCTOBER 2015 CLEAN TECH ADVOCATES	5,500.00	5,500.00
11/12/15	27415V	2020SC 1020SC	Invoice: OCTOBER 2015 CLEAN TECH ADVOCATES	5,500.00	5,500.00
11/12/15	27416	2020SC 1020SC	Invoice: 1R085Q EAN SERVICES, LLC	557.20	557.20
11/12/15	27416V	2020SC 1020SC	Invoice: 1R085Q EAN SERVICES, LLC	557.20	557.20

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11/12/15	27417	2020N 1020SC	Invoice: US0131382676 ERNST & YOUNG LLP - 072	2,686.00	2,686.00
11/12/15	27417V	2020N 1020SC	Invoice: US0131382676 ERNST & YOUNG LLP - 072	2,686.00	2,686.00
11/12/15	27418	2020SC 1020SC	Invoice: 16477859-9 EXPRESS EMPLOYEMENT PROFESSIONALS	192.64	192.64
11/12/15	27418V	2020SC 1020SC	Invoice: 16477859-9 EXPRESS EMPLOYEMENT PROFESSIONALS	192.64	192.64
11/12/15	27419	2020SC 1020SC	Invoice: 1087 FORTY-TWO PACIFIC, INC.	1,500.00	1,500.00
11/12/15	27419V	2020SC 1020SC	Invoice: 1087 FORTY-TWO PACIFIC, INC.	1,500.00	1,500.00
11/12/15	27420	2020SC 1020SC	Invoice: 10-(15) DENNIS GRUNSTAD	880.00	880.00
11/12/15	27420V	2020SC 1020SC	Invoice: 10-(15) DENNIS GRUNSTAD	880.00	880.00
11/12/15	27421	2020SC 1020SC	Invoice: BCA 151559 INSTITUTE FOR ENVIRONMENTAL HEALTH, INC	760.00	760.00
11/12/15	27421V	2020SC 1020SC	Invoice: BCA 151559 INSTITUTE FOR ENVIRONMENTAL HEALTH, INC	760.00	760.00
11/12/15	27422	2020N 1020SC	Invoice: 1015-3 JEFFREY JANIK, PH.D.	1,350.00	1,350.00
11/12/15	27422V	2020N 1020SC	Invoice: 1015-3 JEFFREY JANIK, PH.D.	1,350.00	1,350.00
11/12/15	27423	2020SC 1020SC	Invoice: 0007486888-6 PACIFIC GAS & ELECTRIC CO,	8,150.00	8,150.00
11/12/15	27423V	2020SC 1020SC	Invoice: 0007486888-6 PACIFIC GAS & ELECTRIC CO,	8,150.00	8,150.00
11/12/15	27424	2020SC 1020SC	Invoice: 1111 ROCK STEADY JUGGLING	4,750.00	4,750.00
11/12/15	27424V	2020SC 1020SC	Invoice: 1111 ROCK STEADY JUGGLING	4,750.00	4,750.00
11/12/15	27425	2020SC 2020SC 1020SC	Invoice: 47617724 Invoice: 47615644 SBS LEASING A PROGRAM DE LAGE	81.67 980.93	1,062.60
11/12/15	27425V	2020SC 2020SC 1020SC	Invoice: 47617724 Invoice: 47615644 SBS LEASING A PROGRAM DE LAGE	1,062.60	81.67 980.93
11/12/15	27426	2020SC 1020SC	Invoice: 1031150228 SHANDAM CONSULTING	783.75	783.75
11/12/15	27426V	2020SC 1020SC	Invoice: 1031150228 SHANDAM CONSULTING	783.75	783.75
11/12/15	27427	2020SC 1020SC	Invoice: C882857-541 SHARP ELECTRONICS CORPRATION	2,100.66	2,100.66
11/12/15	27427V	2020SC 1020SC	Invoice: C882857-541 SHARP ELECTRONICS CORPRATION	2,100.66	2,100.66
11/12/15	27428	2020SC 1020SC	Invoice: OCTOBER 2015 ROBERT SMITH	19,720.00	19,720.00
11/12/15	27428V	2020SC 1020SC	Invoice: OCTOBER 2015 ROBERT SMITH	19,720.00	19,720.00
11/12/15	27429	2020U 1020SC	Invoice: OCTOBER 2015 SOLANO COUNTY FLEET MANAGEMENT	1,224.03	1,224.03

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
11/12/15	27429V	2020U 1020SC	Invoice: OCTOBER 2015 SOLANO COUNTY FLEET MANAGEMENT	1,224.03	1,224.03
11/12/15	27430	2020SC 2020SC 1020SC	Invoice: 34117 Invoice: 34116 SOUTHWEST ENVIRONMENTAL	3,100.00 34,995.00	38,095.00
11/12/15	27430V	2020SC 2020SC 1020SC	Invoice: 34117 Invoice: 34116 SOUTHWEST ENVIRONMENTAL	38,095.00	3,100.00 34,995.00
11/12/15	27431	2020SC 1020SC	Invoice: NICK HANLEY SAND HILL ADVISORS	745.00	745.00
11/12/15	27432	2020SC 1020SC	Invoice: 2040513 AMERICAN TOWER CORPORATION	534.63	534.63
11/12/15	27433	2020SC 1020SC	Invoice: 100798 ANALYTICAL SCIENCES	2,495.50	2,495.50
11/12/15	27434	2020SC 1020SC	Invoice: PROGRESS PAYMENT 4 ANDERSON PACIFIC ENGINEERING, CO.	147,409.60	147,409.60
11/12/15	27435	2020SC 2020SC 2020SC 1020SC	Invoice: BA4180 Invoice: BA4181 Invoice: BA4182 BLANKINSHIP & ASSOCIATES, INC.	2,550.00 1,216.67 1,833.33	5,600.00
11/12/15	27436	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 0073196 Invoice: 0073197 Invoice: 0073934 Invoice: 0073615 Invoice: 0073933 Invoice: 0074155 Invoice: 0074158 BSK ASSOCIATES	59.00 4,977.50 1,377.00 2,548.75 2,639.24 2,004.00 6,205.50	19,810.99
11/12/15	27437	2020SC 1020SC	Invoice: 10.23.15 - 11.22.15 AT&T MOBILITY	144.14	144.14
11/12/15	27438	2020SC 1020SC	Invoice: OCTOBER 2015 CLEAN TECH ADVOCATES	5,500.00	5,500.00
11/12/15	27439	2020SC 1020SC	Invoice: 1R085Q EAN SERVICES, LLC	557.20	557.20
11/12/15	27440	2020N 1020SC	Invoice: US0131382676 ERNST & YOUNG LLP - 072	2,686.00	2,686.00
11/12/15	27441	2020SC 1020SC	Invoice: 16477859-9 EXPRESS EMPLOYMENT PROFESSIONALS	192.64	192.64
11/12/15	27442	2020SC 1020SC	Invoice: 1087 FORTY-TWO PACIFIC, INC.	1,500.00	1,500.00
11/12/15	27443	2020SC 1020SC	Invoice: 10-(15) DENNIS GRUNSTAD	880.00	880.00
11/12/15	27444	2020SC 1020SC	Invoice: BCA 151559 INSTITUTE FOR ENVIRONMENTAL HEALTH, INC	760.00	760.00
11/12/15	27445	2020N 1020SC	Invoice: 1015-3 JEFFREY JANIK, PH.D.	1,350.00	1,350.00
11/12/15	27446	2020SC 1020SC	Invoice: 0007486888-6 PACIFIC GAS & ELECTRIC CO,	8,150.00	8,150.00
11/12/15	27447	2020SC 1020SC	Invoice: 1111 ROCK STEADY JUGGLING	4,750.00	4,750.00
11/12/15	27448	2020SC 2020SC 1020SC	Invoice: 47617724 Invoice: 47615644 SBS LEASING A PROGRAM DE LAGE	81.67 980.93	1,062.60
11/12/15	27449	2020SC	Invoice: 1031150228	783.75	

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		1020SC	SHANDAM CONSULTING		783.75
11/12/15	27450	2020SC 1020SC	Invoice: C882857-541 SHARP ELECTRONICS CORPRATION	2,100.66	2,100.66
11/12/15	27451	2020SC 1020SC	Invoice: OCTOBER 2015 ROBERT SMITH	19,720.00	19,720.00
11/12/15	27452	2020U 1020SC	Invoice: OCTOBER 2015 SOLANO COUNTY FLEET MANAGEMENT	1,224.03	1,224.03
11/12/15	27453	2020SC 2020SC 1020SC	Invoice: 34117 Invoice: 34116 SOUTHWEST ENVIRONMENTAL	3,100.00 34,995.00	38,095.00
11/12/15	27454	2020SC 2020SC 1020SC	Invoice: SCWA-FY2015-16_2 Invoice: LPCCC-FY2015-16_1 WILDLIFE SURVEY	13,110.00 2,142.52	15,252.52
11/12/15	27455	2020SC 1020SC	Invoice: 4421 WINTERS AGGREGATE	505.84	505.84
11/12/15	27456	2020SC 1020SC	Invoice: NANCY CASTILLO SAND HILL ADVISORS	527.00	527.00
11/12/15	27457	2020SC 1020SC	Invoice: MARCELLA LANE SAND HILL ADVISORS	804.00	804.00
11/12/15	27458	2020SC 1020SC	Invoice: CARMEN BORJA SAND HILL ADVISORS	119.00	119.00
11/12/15	27459	2020SC 1020SC	Invoice: TIM MCNAMARA SAND HILL ADVISORS	1,000.00	1,000.00
11/12/15	27460	2020SC 1020SC	Invoice: MELISSA HIBBARD - 1 SAND HILL ADVISORS	700.00	700.00
11/12/15	27461	2020SC 1020SC	Invoice: MELISSA HIBBARD - 2 SAND HILL ADVISORS	672.00	672.00
11/12/15	27462	2020SC 1020SC	Invoice: CHRISTEL HUSSEINI SAND HILL ADVISORS	816.00	816.00
11/12/15	27463	2020SC 1020SC	Invoice: ERNEST VANORDER SAND HILL ADVISORS	560.00	560.00
11/12/15	27464	2020SC 1020SC	Invoice: TONY MILLHOLEN SAND HILL ADVISORS	1,000.00	1,000.00
11/12/15	27465	2020SC 1020SC	Invoice: CRAIG FONG SAND HILL ADVISORS	1,000.00	1,000.00
11/12/15	27466	2020SC 1020SC	Invoice: SAM TAN SAND HILL ADVISORS	869.00	869.00
11/12/15	27467	2020SC 1020SC	Invoice: JON COX SAND HILL ADVISORS	1,000.00	1,000.00
11/12/15	27468	2020SC 1020SC	Invoice: CITY OF BENICIA SAND HILL ADVISORS	1,401.00	1,401.00
11/12/15	27469	2020SC 1020SC	Invoice: WILLIAM H. BEATTY SAND HILL ADVISORS	690.00	690.00
11/12/15	27470	2020SC 1020SC	Invoice: SUSAN STEFFENS SAND HILL ADVISORS	404.00	404.00
11/12/15	27471	2020SC 1020SC	Invoice: PATTI LAW SAND HILL ADVISORS	834.00	834.00
11/12/15	27472	2020SC 1020SC	Invoice: MARY EBLE SAND HILL ADVISORS	688.00	688.00
11/17/15	27473	2020SC 1020SC	Invoice: 0379594 CB&T/ACWA-JPIA	1,601.06	1,601.06

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For the Period From Nov 1, 2015 to Nov 30, 2015

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
11/17/15	27474	2020SC 1020SC	Invoice: 2016 DUES ASSOCIATION OF CALIFORNIA AGENCIES	19,898.67	19,898.67
11/17/15	27475	2020SC 1020SC	Invoice: 160788 AYRES ASSOCIATES	653.72	653.72
11/17/15	27476	2020SC 1020SC	Invoice: 16515478-2 EXPRESS EMPLOYMENT PROFESSIONALS	373.24	373.24
11/17/15	27477	2020SC 1020SC	Invoice: 216237 HEDGEROW FARMS, INC.	193.50	193.50
11/17/15	27478	2020SC 2020SC 1020SC	Invoice: 79057 Invoice: 79058 HERUM \ CRABTREE \ SUNTAG	5,100.00 160.65	5,260.65
11/17/15	27479	2020SC 1020SC	Invoice: V3674901 HOLT OF CALIFORNIA	4,219.38	4,219.38
11/17/15	27480	2020SC 1020SC	Invoice: 13504 KC ENGINEERING COMPANY	5,685.00	5,685.00
11/17/15	27481	2020SC 1020SC	Invoice: 478738 M&M SANITARY LLC	176.00	176.00
11/17/15	27482	2020SC 1020SC	Invoice: 3945 MANN, URRUTIA, NELSON, CPAS	2,500.00	2,500.00
11/17/15	27483	2020U 2020U 2020U 2020U 1020SC	Invoice: 501098239 Invoice: 501047538 Invoice: 501215885 Invoice: 501143040 MISSION LINEN SUPPLY	118.03 130.32 93.46 118.03	459.84
11/17/15	27484	2020SC 1020SC	Invoice: 60644 NORMANDEAU ASSOCIATES, INC.	559.74	559.74
11/17/15	27485	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 192238 Invoice: 192237 Invoice: 192624 Invoice: 192850 Invoice: 192891 Invoice: 193410 Invoice: 193170 Invoice: 193435 Invoice: 193099 Invoice: 193332 Invoice: 193756 PACIFIC ACE HARDWARE	9.13 70.99 77.84 18.77 22.88 15.04 38.30 59.60 50.93 48.53 39.43	451.44
11/17/15	27486	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 689572 Invoice: 689729 Invoice: 689833 Invoice: 690302 Invoice: 691056 Invoice: 692497 Invoice: 691937 Invoice: 692467 PISANIS AUTO PARTS	29.01 9.55 79.86 30.45 12.59 48.90 165.65 23.73	399.74
11/17/15	27487	2020SC 1020SC	Invoice: 38658076 RECOLOGY VACAVILLE SOLANO	132.65	132.65
11/17/15	27488	2020SC 1020SC	Invoice: 1002920805 SAGE SOFTWARE, INC.	405.00	405.00
11/17/15	27489	2020SC 1020SC	Invoice: 897 SOLANO RESOURCE CONSERVATION DISTRICT	336.98	336.98
11/17/15	27490	2020SC 1020SC	Invoice: 12792680 SOLINST CANADA LTD.	900.44	900.44
11/17/15	27491	2020SC 2020SC 2020SC 1020SC	Invoice: 002 2894 236 Invoice: 0002 2990 629 Invoice: 0002 2976 232 STATE BOARD OF EQUALIZATION	1,740.09 3,860.01 59,894.60	65,494.70

SOLANO COUNTY WATER AGENCY
Cash Disbursements Journal
For the Period From Nov 1, 2015 to Nov 30, 2015

Filter Criteria includes: Report order is by Check Number. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
11/17/15	27492	2020SC	Invoice: 42417	184.36	
		2020SC	Invoice: 42516	27.58	
		2020SC	Invoice: 42549	36.12	
		2020SC	Invoice: 42539	68.37	
		2020SC	Invoice: 42582	10.26	
		1020SC	SUISUN VALLEY FRUIT GROWERS AS		326.69
11/17/15	27493	2020SC	Invoice: WD-0109978	2,037.00	
		1020SC	SWRCB		2,037.00
11/20/15	27493V	2020SC	Invoice: WD-0109978		2,037.00
		1020SC	SWRCB	2,037.00	
11/17/15	27494	2020SC	Invoice: 03185486	57.02	
		2020SC	Invoice: 185297	21.51	
		2020SC	Invoice: 185295	119.84	
		2020SC	Invoice: 185296	64.53	
		2020SC	Invoice: 187627	131.16	
		1020SC	TRACTOR SUPPLY CREDIT PLAN		394.06
11/17/15	27495	2020SC	Invoice: 1273845	49.91	
		2020SC	Invoice: 1273846	219.01	
		1020SC	THE TREMONT GROUP, INC.		268.92
11/17/15	27496	2020SC	Invoice: BUZZ OATES	10,000.00	
		1020SC	SAND HILL ADVISORS		10,000.00
11/17/15	27497	2020SC	Invoice: 001416	38.31	
		1020SC	UNAVCO, INC.		38.31
11/17/15	27498	2020SC	Invoice: 3866	19,015.00	
		1020SC	EYASCO, INC.		19,015.00
11/17/15	27499	2020SC	Invoice: 3580031	17.23	
		2020G	Invoice: 2021503	64.71	
		2020SC	Invoice: 1010409	94.33	
		2020SC	Invoice: 1010410	102.46	
		1020SC	HOME DEPOT CREDIT SERVICE		278.73
11/17/15	27500	2020SC	Invoice: CL02859	278.16	
		1020SC	INTERSTATE OIL COMPANY		278.16
11/17/15	27501	2020SC	Invoice: FRONT YARD BOOKLETS	8.00	
		1020SC	CALIFORNIA NATIVE GRASSLANDS ASSOC.		8.00
11/17/15	27502	2020SC	Invoice: B50067.11-03	1,593.28	
		1020SC	ERLER & KALINOWSKI		1,593.28
11/17/15	27503	2020SC	Invoice: SCWA HCP CONF 2015	897.47	
		1020SC	SOLANO BAKING COMPANY		897.47
11/24/15	27504	2020SC	Invoice: 9232928	183.30	
		1020SC	ARAMARK REFRESHMENT SERVICES		183.30
11/24/15	27505	2020SC	Invoice: 0074489	13,386.25	
		1020SC	BSK ASSOCIATES		13,386.25
11/24/15	27506	2020SC	Invoice: NOVEMBER 2015	100.00	
		1020SC	CUETARA, JAY I		100.00
11/24/15	27507	2020SC	Invoice: 19107	708.50	
		1020SC	DAILY REPUBLIC, INC.		708.50
11/24/15	27508	2020SC	Invoice: V3674902	1,842.00	
		1020SC	HOLT OF CALIFORNIA		1,842.00
11/24/15	27509	2020SC	Invoice: 2015-70	367.95	
		1020SC	IN COMMUNICATIONS		367.95
11/24/15	27509V	2020SC	Invoice: 2015-70		367.95
		1020SC	IN COMMUNICATIONS	367.95	
11/24/15	27510	2020SC	Invoice: 1398	4,817.00	
		1020SC	IRON SPRINGS CORPORATION		4,817.00

SOLANO COUNTY WATER AGENCY
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11/24/15	27511	2020SC 1020SC	Invoice: OCTOBER 2015 J. RICHARD EICHMAN, CPA	238.35	238.35
11/24/15	27512	2020SC 1020SC	Invoice: 141347 LSA ASSOCIATES, INC.	12,466.24	12,466.24
11/24/15	27513	2020WC 1020SC	Invoice: 15-11-3868 MBK ENGINEERS	1,127.50	1,127.50
11/24/15	27514	2020SC 1020SC	Invoice: 103259 MUNIQUELL LLC	2,100.92	2,100.92
11/24/15	27515	2020SC 1020SC	Invoice: 60661 NORMANDEAU ASSOCIATES, INC.	20,890.57	20,890.57
11/24/15	27516	2020SC 1020SC	Invoice: 0007491847-5 PACIFIC GAS & ELECTRIC CO,	7,160.00	7,160.00
11/24/15	27517	2020SC 1020SC	Invoice: 0166916 PETRILLO'S TIRE AND AUTO SERVICE	1,271.20	1,271.20
11/24/15	27518	2020SC 2020SC 1020SC	Invoice: 003419 Invoice: 003049 SAM'S CLUB	95.24 90.91	186.15
11/24/15	27519	2020SC 2020SC 1020SC	Invoice: 0003890 Invoice: 0003889 SOLANO IRRIGATION DISTRICT	177.57 9,618.47	9,796.04
11/24/15	27520	2020SC 2020SC 1020SC	Invoice: 902 Invoice: 911 SOLANO RESOURCE CONSERVATION DISTRICT	9,061.87 1,053.34	10,115.21
11/24/15	27521	2020SC 1020SC	Invoice: WD-0109978 SWRCB	2,037.00	2,037.00
11/24/15	27522	2020SC 1020SC	Invoice: 31486 VISION TECHNOLOGY SOLUTIONS, LLC DBC	200.00	200.00
11/24/15	27523	2020SC 1020SC	Invoice: 1535 YOLO-SOLANO AQMD	588.00	588.00
11/24/15	27524	2020SC 1020SC	Invoice: 623272 YELLOW SPRINGS INSTRUMENT CO.	24,265.17	24,265.17
11/24/15	27525	2020SC 1020SC	Invoice: 0003879 SOLANO IRRIGATION DISTRICT	114,010.46	114,010.46
11/24/15	27526	2020SC 1020SC	Invoice: 5589028 VACAVILLE REPORTER	705.00	705.00
11/24/15	27527	2020SC 2020SC 2020SC 1020SC	Invoice: 9413041 Invoice: 210152 Invoice: 9412387 QUILL CORPORATION	70.70 270.82	70.70 270.82
11/24/15	27528	2020SC 2020SC 1020SC	Invoice: 5105015 Invoice: 5105051 REDI-GRO CORPORATION	412.97 3,228.23	3,641.20
11/24/15	27529	2020SC 2020SC 2020SC 1020SC	Invoice: EXEC MEET NOV 2015 Invoice: NOV 2015 PER DIEM Invoice: LEGISLATIVE NOV 2015 DALE CROSSLEY	100.00 100.00 34.50	234.50
11/24/15	27530	2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: EXEC MEET NOV 2015 Invoice: WATER POLICY NOV2015 Invoice: NOV 2015 PER DIEM Invoice: STRATEGICEG NOV 2015 JACK BATCHELOR	100.00 127.60 13.80 27.60	269.00
11/24/15	27531	2020SC 2020SC 1020SC	Invoice: EXEC MEET NOV 2015 Invoice: NOV 2015 PER DIEM JAMES SPERING	100.00 100.00	200.00
11/24/15	27532	2020SC	Invoice: WATER POLICY NOV2015	117.25	

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		2020SC	Invoice: NOV 2015 PER DIEM	100.00	
		2020SC	Invoice: STRATEGIC NOV 2015	17.25	
		1020SC	ELIZABETH PATTERSON		234.50
11/24/15	27533	2020SC	Invoice: WATER POLICY NOV2015	100.00	
		1020SC	MIKE HARDESTY		100.00
11/24/15	27534	2020SC	Invoice: WATER POLICY NOV2015	100.00	
		2020SC	Invoice: NOV 2015 PER DIEM	100.00	
		2020SC	Invoice: STRATEGICWG NOV 2015	17.25	
		2020SC	Invoice: LEGISLATIVE NOV 2015	17.25	
		1020SC	JOHN D. KLUGE		234.50
11/24/15	27535	2020SC	Invoice: NOV 2015 PER DIEM	108.05	
		1020SC	DON HOLDENER		108.05
11/24/15	27536	2020SC	Invoice: NOV 2015 PER DIEM	100.00	
		1020SC	LINDA SEIFERT		100.00
11/24/15	27537	2020SC	Invoice: NOV 2015 PER DIEM	100.00	
		2020SC	Invoice: STRATEGICWG NOV 2015	100.00	
		1020SC	JOHN VASQUEZ		200.00
11/24/15	27538	2020SC	Invoice: NOV 2015 PER DIEM	100.00	
		1020SC	CURTIS HUNT		100.00
11/24/15	27539	2020SC	Invoice: NOV 2015 PER DIEM	131.63	
		1020SC	OSBY DAVIS		131.63
11/25/15	CUETARA OCT 2015	6144SC	GIH GLOBALINDUSTRIES - SUPPLIES	80.36	
		6144SC	MCMaster-CARR - SUPPLIES	582.68	
		6144AC	PACIFIC PUBLISHERS LLC - SUPPLIES	58.62	
		6144SC	THE HOME DEPOT - SUPPLIES	75.15	
		6144SC	BEST BUY - MEMORY FOR CAMERA	86.29	
		6144SC	LOWES - SUPPLIES	31.18	
		6144SC	LOWES - SUPPLIES	59.17	
		6144SC	GUNS FISHING AND OTHER - SUPPLIES	48.51	
		6144SC	GROUP MOBIL - SUPPLIES	31.00	
		2025SC	ACCRUED SALES TAX - GROUP MOBIL		3.38
		2025SC	ACCRUED SALES TAX - PACIFIC PUBLISHERS		3.77
		2025SC	ACCRUED SALES TAX - MCMaster-CARR		39.19
		1020SC	BANK OF THE WEST		1,006.62
11/3/15	EFT	2020SC	Invoice: NOV HEALTH 2015	15,743.52	
		1020SC	CALPERS		15,743.52
11/6/15	EFT	2020SC	Invoice: 45852359	168.47	
		1020SC	CHEVRON AND TEXACO		168.47
11/10/15	EFT	2020SC	Invoice: 9754661517	3,421.22	
		1020SC	VERIZON WIRELESS		3,421.22
11/7/15	EFT	2024AC	EMPLOYEE LIABILITIES - 11.7.15	10,722.63	
		6012AC	EMPLOYER LIABILITIES - 11.7.15	1,579.29	
		1020SC	PAYROLL TAXES		12,301.92
11/11/15	EFT	2020SC	Invoice: PERPA PPE 11.7.15	343.01	
		1020SC	CALPERS		343.01
11/11/15	EFT	2020SC	Invoice: PPE 11.7.15	7,767.39	
		1020SC	CALPERS		7,767.39
11/11/15	EFT	2020SC	Invoice: SIP PPE 11.7.15	3,177.88	
		1020SC	CALPERS		3,177.88
11/13/15	EFT	2020SC	Invoice: 2015111001	161.20	
		1020SC	PAYCHEX, INC.		161.20
11/13/15	EFT	6111AC	FSA ADMIN FEES - NOVEMBER 2015	70.12	
		6040AC	EMPLOYEE HANDBOOK	106.75	
		1020SC	PAYCHEX, INC.		176.87
11/21/15	EFT	2024AC	EMPLOYEE LIABILITIES - 11.21.15	10,604.31	
		6012AC	EMPLOYER LIABILITIES - 11.21.15	1,460.37	
		1020SC	PAYROLL TAXES		12,064.68

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
11/25/15	SNYDER OCT 2015	6199SC	PACIFIC COAST SEED - SUPPLIES	307.69	
		6090AC	CAPCA - CA PEST CONTROL ADVISOR	60.00	
		6300AC	AGILIS LINXUP MOTOSFTY - TRACKING SERVICE	91.96	
		6042AC	AMAZON.COM - EYEWEAR	299.24	
		6041AC	VERIZON WIRELESS - PHONE ACCESSORIES	132.65	
		6041AC	VERIZON WIRELESS - PHONE ACCESSORY RETURN		14.04
		6310AC	CHEVRON - FUEL	50.25	
		1020SC	BANK OF THE WEST		927.75
Total				<u>1,281,350.05</u>	<u>1,281,350.05</u>

ACTION OF
SOLANO COUNTY WATER AGENCY

DATE: December 10, 2015

SUBJECT: STATE WATER PROJECT TOLLING AGREEMENT

RECOMMENDATION:

Authorize General Manager to execute the sixth amendment to the Tolling Waiver Agreement with the California Department of Water Resources regarding State Water Project charges.


FINANCIAL IMPACT:

None.

BACKGROUND:

The California Department of Water Resources, as operators of the State Water Project, requires annual protest letters to challenge State Water Project charges identified in the annual Statement of Charges for the State Water Project.

On August 13, 2009, the Board approved an initial one year tolling agreement with the Department of Water Resources regarding challenged recreational charges and other State Water Project charges. The five prior amendments dealt with prior year State Water Project charges. These matters have not all been resolved yet and the State Water Contractors and the Department of Water Resources desire to extend the tolling agreement to December 31, 2017. Disputed items can be removed from the tolling agreement with specified notice.

Recommended: 
Roland A. Sanford, General Manager

<input type="checkbox"/> Approved as recommended	<input type="checkbox"/> Other (see below)
--	--

Modification to Recommendation and/or other actions:

I, Roland A. Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on December 10, 2015 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland A. Sanford
General Manager & Secretary to the
Solano County Water Agency

SIXTH AMENDMENT TO TOLLING AND WAIVER AGREEMENT

This SIXTH AMENDMENT TO TOLLING AND WAIVER AGREEMENT (“Sixth Amendment”), which shall be effective as of December 15, 2015 (“Effective Date of Sixth Amendment”), is entered into by and between _____ (“AGENCY”) and the CALIFORNIA DEPARTMENT OF WATER RESOURCES (“DWR”). AGENCY and DWR are referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

A. In 2007, the Parties entered into a Tolling and Waiver Agreement (“Agreement”), and thereafter entered into the First Amendment with an effective date of December 15, 2007 (“First Amendment”), Second Amendment with an effective date of December 15, 2008 (“Second Amendment”), Third Amendment with an effective date of September 15, 2009 (“Third Amendment”), Fourth Amendment with an effective date of December 15, 2010 (“Fourth Amendment”) and Fifth Amendment with an effective date of December 15, 2012. Except as otherwise set forth in this Sixth Amendment, capitalized terms have the meanings given to such terms in the Agreement, as amended.

B. Among other things, the Agreement, as amended, tolls the statute of limitations with regard to certain Claims beginning with the Effective Date of the Agreement through and including December 31, 2015. The Claims specified in the Agreement, as amended, include, with certain exceptions, DWR’s bills to the Contractors for calendar years 2007 through and including 2016, but do not include bills for subsequent years.

C. Thus, in the absence of an amendment to extend the tolling period beyond December 31, 2015, AGENCY will be required to formally protest and/or take other legal action to preserve its rights to pursue Claims under the Agreement, as amended, upon expiration of tolling period on December 31, 2015. In addition, in the absence of an amendment to the Agreement regarding the SWP bills for 2017 and 2018, AGENCY will be required to formally protest its SWP bills for 2017 and 2018 and/or take other legal action to preserve any claims it may have with respect to such bills.

D. The Parties currently are engaged in good faith discussions concerning a possible resolution of the claims related to the SWP bills issued for calendar years 2007 through and

including 2016, and certain other claims related to the State Water Project. In order to facilitate these discussions, the Parties agree that the applicable tolling period for pursuing Claims as set out in the Agreement, as amended, (with the exception of the issues set out in Exhibit 1 and Exhibit 2, if any) should be extended through December 31, 2017 and that claims related to the SWP bills issued by DWR for 2017, and 2018, including any revisions made on or before December 31, 2017, should also be tolled.

E. The Parties also recognize that there may be issues that they are not able to resolve through good faith discussions and that a Party to this Agreement and/or a Contractor which has entered into a similar, but separate, tolling and waiver agreement with DWR may desire to seek formal dispute resolution or other legal action on such issues before the end of the tolling period on December 31, 2017. Accordingly, the Parties have included procedures in this Agreement, as amended, and DWR has included similar procedures in its tolling and waiver agreements with other Contractors to allow any party (including DWR) to exclude issues from the tolling provisions before the end of the tolling period and to have such exclusion apply to and bind DWR and all other Contractors with tolling and waiver agreements with DWR.

NOW, THEREFORE, AGENCY and DWR, for good and adequate consideration, the sufficiency of which is hereby acknowledged, agree to the following:

TERMS OF SIXTH AMENDMENT

1. The text in Paragraph 1(b) of the Agreement, as amended by the Fifth Amendment, is deleted in its entirety and replaced with the following text, shown here in italics:

(b) (i) The term "Claims" is broadly defined to include any and all claims for relief, actions, suits, causes of action, damages, debts, costs, demands, losses, liabilities and obligations of whatever nature, whether legal or equitable, and notices of contest under Article 29(i) of the State Water Contracts that arise out of or are related to: (1) the Metropolitan Claim; (2) the use, prior to July 1, 2006, of revenue bond proceeds and commercial paper note proceeds to pay "costs incurred for the enhancement of fish and wildlife or for the development of public recreation"; (3) the related establishment, restatement or adjustment of charges and rate reductions under the State Water Contracts; (4) the accounting for the costs of the San Joaquin Drainage Program; (5) the allocation of the costs of certain facilities in the Delta to the purposes of the development

of public recreation and the enhancement of fish and wildlife; (6) DWR's bills to the Contractors for calendar years 2007 through and including 2018, including any revisions to such bills made on or before December 31, 2017; provided that the term "Claims" does not include, as of January 1, 2009, the issue set out in Exhibit 1, attached hereto; and provided further that the term "Claims" shall not include the issues set out in Exhibit 2, attached hereto, effective January 1, 2016. To the extent the issue set out in Exhibit 1 was heretofore included within the term "Claims", the Tolling Period Expiration Date for such issue as used in Paragraph 4 shall be deemed to be December 31, 2008 and to the extent the issues set out in Exhibit 2 were heretofore included within the term "Claims", the Tolling Period Expiration Date for such issues as used in Paragraph 4 shall be deemed to be December 31, 2015. In addition, the term "Claims" shall not include any issue to the extent such issue is excluded from the term "Claims" pursuant to the provisions of Paragraph 1(b)(ii) or 1(b)(iii)

(ii) Any Party (including DWR) to this Agreement may elect to remove one or more of the issues set out in Exhibit 3 from the term "Claims" by giving 60 days advance written notice to DWR and the other Contractors which have tolling and waiver agreements with DWR with a tolling period expiration date that has been extended to December 31, 2017. Such notice shall specify the effective date of such exclusion and shall apply to and be binding upon DWR and the other Contractors listed in Exhibit 4 which have a tolling and waiver agreement with DWR with a tolling period expiration date that has been extended to December 31, 2017. Exhibit 4 contains a listing of all water contractors which entered into the previous tolling and waiver agreement amendment extending the tolling period to December 31, 2015, and which are expected to enter into amendments to extend their tolling periods to December 31, 2017. To be effective, such notice must be received by DWR and shall be effective as to all other Contractors with tolling and waiver agreements with DWR with a tolling period expiration date that has been extended to December 31, 2017, even if one or more of such Contractors do not receive such notice. The effect of such notice by one Party or by any Contractor with a tolling and waiver agreement with DWR shall be to exclude such issue or issues from the term "Claims" in this Agreement and in the tolling and waiver

agreements of DWR and the other Contractors listed in Exhibit 4 with a tolling period expiration date that has been extended to December 31, 2017. To the extent the issue or issues set out in the notice were heretofore included within the term "Claims", the Tolling Period Expiration Date for each such issue as used in Paragraph 4 shall be the issue exclusion date so specified in the notice.

(iii) Any Party (including DWR) to this Agreement may elect to remove one or more issues (other than those listed in Exhibit 3, which are addressed in Paragraph 1(b)(ii)) from the definition of the term "Claims" by giving 120 days advance written notice to DWR and the other Contractors which have tolling and waiver agreements with DWR with a tolling period expiration date that has been extended to December 31, 2017; provided, however, that such Party (if other than DWR) shall notify DWR at least 30 days in advance of the issuance of such 120 day notice and allow DWR the opportunity to discuss the matter with that Party. The Party shall use its best efforts to describe clearly in the notice the issue or issues to be excluded and shall specify the effective date of such exclusion. The notice shall apply to and be binding upon DWR and the other Contractors listed in Exhibit 4 which have a tolling and waiver agreement with DWR with a tolling period expiration date that has been extended to December 31, 2017. To be effective, such notice must be received by DWR and shall be effective as to all other Contractors with tolling and waiver agreements with DWR with a tolling period expiration date that has been extended to December 31, 2017, even if one or more of such Contractors do not receive such notice. The effect of such notice by one Party or by any Contractor with a tolling and waiver agreement with DWR shall be to exclude such issue or issues from the term "Claims" in this Agreement and in the tolling and waiver agreements of DWR and the other Contractors listed in Exhibit 4 with a tolling period expiration date that has been extended to December 31, 2017. To the extent the issue or issues set out in the notice were heretofore included within the term "Claims", the Tolling Period Expiration Date for each such issue as used in Paragraph 4 shall be the issue exclusion date so specified in the notice.

2. The text in Paragraph 4 of the Agreement, as amended by the Fifth Amendment, is deleted in its entirety and replaced with the following text, shown here in italics:

The Tolling Period Expiration Date is December 31, 2017; provided that DWR may, upon giving 60 days advance written notice to Agency, change the Tolling Period Expiration Date to a date earlier than December 31, 2017 if the sum of the maximum Table A amounts for all Contractors who enter into a Sixth Amendment to the Tolling and Waiver Agreement with DWR (plus the Table A amount for the County of Butte, if the County enters into a Fifth Amendment to the Tolling and Waiver Agreement with DWR) is less than 95% of the sum of the maximum Table A amounts for the 27 Contractors who signed the Monterey Amendment; and provided further that the Tolling Period Expiration Date as to any specific issue may be set at an earlier date pursuant to the provisions of Paragraph 1(b)(ii) or 1(b)(iii). For the time period between the Effective Date of the Agreement and the Tolling Period Expiration Date, inclusive (the "Tolling Period"), Agency and DWR agree that, except as provided for in this Agreement, all Periods of Limitation applicable to all Claims between the Parties, including without limitation those described in the Metropolitan Claim, shall be tolled and waived, shall not run or expire, and shall not operate in any manner so as to prejudice, bar, limit, create a defense to or in any way restrict Claims between the Parties. Except as provided in Paragraph 2 herein, after the Tolling Period Expiration Date, the Parties shall have the same rights, remedies, and damages each of them had on the Effective Date of the Agreement and the Tolling Period shall be excluded from any time calculation in determining whether any period of limitations has run; provided, however, that with regard to Claims pertaining to DWR's bills to the Contractors for calendar years 2007 through and including 2018, AGENCY shall have until 60 days from the Tolling Period Expiration Date to submit notices of contest to DWR for Claims pertaining to any such bills for calendar years 2007 through and including 2018. Except for the Parties' waiver of the Statute of Limitations as provided herein and except as provided in Paragraph 2 herein, this Agreement shall not operate as a waiver of any Claims or defenses that either Party may have against the other.

3. Exhibit 1, entitled “Issue Not Included in the Term “Claims” Effective January 1, 2009”, which title was changed by the Fifth Amendment, remains unchanged as a part of this Agreement and is attached.

4. Exhibit 2, entitled “Issues Not Included in the Term “Claims” for Purposes of the Tolling and Waiver Agreement Extension Beginning January 1, 2013”, which was added by the Fifth Amendment, did not have any issues listed and is therefore deleted in its entirety and replaced by Exhibit 2, entitled “Issues Not Included in the Term “Claims” Effective January 1, 2016”, which is attached and made a part of this Agreement.

5. Exhibit 3, entitled “Issues that May be Excluded from the Term “Claims” upon 60 Days Advance Notice”, which was added by the Fourth Amendment, is amended by listing additional issues, if any, to issues 1 and 2 previously listed therein, and such Exhibit 3 as amended is attached and remains a part of this Agreement.

6. Exhibit 4, entitled “Contractors which Signed Prior Tolling Agreement Amendment Extending Tolling Period to December 31, 2012 and which are Expected to Enter into Amendment to Extend Tolling Period to December 31, 2015”, which was added by the Fourth Amendment, is deleted in its entirety and replaced by Exhibit 4 entitled “Contractors which Signed Prior Tolling Agreement Amendment Extending Tolling Period to December 31, 2015, and which are Expected to Enter into Amendment to Extend Tolling Period to December 31, 2017”, which is attached and made a part of this Agreement.

7. All other terms and conditions of the Agreement, as amended, are unchanged by this Sixth Amendment and shall remain in full force and effect.

8. In consideration of the extension of the tolling period provided by this Sixth Amendment, the Parties intend to continue to use their best efforts to discuss and seek to resolve, in a timely manner, as many of the remaining issues as practicable that have been tolled by this agreement or that have otherwise been raised in the resolution process established in response to this Agreement.

9. Each individual signing below represents and warrants that he or she is authorized to execute this Sixth Amendment on behalf of the respective Parties to this Sixth Amendment and does so freely and voluntarily.

10. Each Party warrants and represents that, in executing this Sixth Amendment, it has relied upon legal advice from counsel of its choice; that the terms of this Sixth Amendment

have been read and its consequences have been completely explained to it by counsel; that it fully understands the terms of this Sixth Amendment; and that it knows of no reason why this Sixth Amendment shall not be a valid and binding agreement of that Party.

11. This Sixth Amendment may be executed in counterparts.

DATED: _____

CATHY CROTHERS
Chief Counsel
Attorney for DWR

DATED: _____

Name:
Title:
For AGENCY

EXHIBIT 1

ISSUE NOT INCLUDED IN THE TERM “CLAIMS” EFFECTIVE JANUARY 1, 2009

1. The validity of charges for costs incurred by DWR at Perris Reservoir for beach sand, the ADA fishing pier, and marina repairs and relocation, which have been billed to and included in the annual Statements of Charges issued to Metropolitan Water District, Coachella Valley Water District and Desert Water Agency for calendar years 2008 and 2009.

EXHIBIT 2

ISSUES NOT INCLUDED IN THE TERM "CLAIMS" EFFECTIVE JANUARY 1, 2016

1. Whether Coastal Extension debt service charges were erroneously included in the 2006 transportation variable charges instead of the Coastal Branch Reach 33A charges. Resolution: The Department properly included the Coastal Branch Reach 33A charges in the 2006 transportation variable charges instead of the Coastal Extension debt service charges.
2. Whether the credits totaling approximately \$2,376,000 for 2004 and 2007 wheeling of non-entitlement water transactions should have been recorded in the SAP accounting system. Resolution: The Department posted the credits of approximately \$2,600,000 for 2004 and 2007 wheeling of non-entitlement water transactions in the SAP accounting system.
3. Whether the 2005 replacement over/under adjustment was calculated using an incorrect payment amount and incorrect interest factors. Resolution: The Department updated the 2005 payment amount and used the correct interest rates when calculating the over-/under-adjustment.
4. Whether the recovery generation credits for San Luis, Devil Canyon and Warne Power plants for 1998 of approximately \$396,000 were recorded. Resolution: The Department recorded the recovery generation credits of approximately \$396,000.
5. Whether the Gianelli Pumping Plant replacement costs of approximately \$50,000 were improperly included in the 2006 Delta Water Charge. Resolution: The Department moved Gianelli Pumping Plant replacement costs for 2006 from the Delta Water Charge.
6. Whether the excess recovery generation credits, which total approximately \$526,000, resulting from LADWP's water diverted into the SWP in 1985, have not been returned to Metropolitan. Resolution: The Department revised Metropolitan's Attachment 4C to the Statement of Charges to reflect a credit of \$526,000.
7. Whether Metropolitan's refunds on the Water System Revenue Bond earnings for the period of January - June of 2004 were understated by approximately \$31,000 in the determination of the interest refunds resulting from Water System Revenue Bond investments. Resolution: The Department increased the March 2006 refund for Metropolitan.
8. Whether the costs of the Hyatt Turbine Refurbishment Project, from 2000 to 2006, were improperly allocated to the replacement fund. Resolution: The Department changed the allocation of the costs of the Hyatt Turbine Refurbishment Project from the replacement fund to the capital component of the Delta Water Charge.
9. Whether the Delta Water Charge Minimum cost projections, include any escalation of future cost beyond the initial 3-year period. Resolution: The Department included an escalation factor on future costs of the Delta Minimum cost component beginning in the 2010 Statements of Charges.
10. Whether the pike eradication costs in 2006 and 2007 at Lake Davis should or should not be charged to the State Water Project recreation costs. Resolution: The Department reassigned the costs to the Proposition 50 bond funds and such reassignment was reflected in the 2007 Statements of Charges.

11. Whether the Springing Amendment credits applied to the 2009 Statements of Charges should have included the bond Series AE reserve fund releases. Resolution: The Department placed the debt service reserve fund release, Series AE, in the refunding Escrow in lieu of returning the funds to the contractor's via credits.
12. Whether the Contractors were charged separately for the Bay Delta Conservation Plan regarding two invoices from HDR, Inc., (invoices #44255 and #53418 totaling \$459,000) which had notations that they related to the Bay Delta Conservation Plan and Delta Habitat Conservation and Conveyance Plan. Resolution: The Contractors' Independent Audit Association withdrew the issue.
13. Whether the bond issuance costs and underwriters discount (totaling approximately \$3.5 million for series AE) were not, but should have been, included in the debt service schedule dated October 1, 2008. Resolution: The Department added the bond issuance costs and underwriters discount (totaling approximately \$3.5 million for series AE) in the debt service schedule.
14. Whether the calculation of the 2008 Rate Management credits were incorrect. Resolution: The Contractors' Independent Audit Association withdrew the issue.
15. Whether the initial 2009 Delta Water Charge contained unsupported entries. Resolution: The Contractors' Independent Audit Association withdrew the issue.
16. Whether the transportation variable costs were unverifiable for selected reaches using SAP for three Contractors selected. Resolution: The Contractors' Independent Audit Association withdrew the issue.
17. Whether the Water System Revenue Bond surcharge for the 2009 Statements of Charges was calculated using estimated values for series AE, which resulted in a misstatement of the Water System Revenue Bond surcharge. Resolution: The Department applied actual values for series AE and it was reflected in the rebill of the 2009 Statements of Charges.
18. Whether the Municipal Water Quality Investigation charges for 2008 and 2009 were included twice in the Transportation Minimum component of the 2009 Statements of Charges. Resolution: The Department reversed the duplicated charges for the rebill of the 2009 Statements of Charges.
19. Whether the Final Allocations of Power contained in the Transportation variable and Transportation minimum components of the Statements of Charges for 1999-2007 have not been finalized. Resolution: The Department updated all the Preliminary Allocations of Power and Final Allocations of Power with the most current cost data through 2008 for the 2010 rebill.
20. Whether the downstream reallocation of costs in 2006 and 2007 totaling approximately \$10,034,000 should have been reflected in the variable component calculation. Resolution: The Department ran the downstream allocations in the SAP accounting system for all years through 2008.
21. Whether the Municipal Water Quality Investigation costs for 1999 through 2004 were posted twice in the billing system. Resolution: The Department reversed the duplicated charges.

22. Whether the variable component for 2006 and 2007 should have been calculated using the power costs and sales from the SAP accounting system. Resolution: The Department recomputed the Contractor's variable energy charges using the power costs and sales from the SAP accounting system.
23. Whether technology improvement cost estimates of \$15,589,000 were included twice in the Delta Water Charge and estimates of \$8,055,000 were included twice in the transportation minimum charges. Resolution: The Department reversed the duplicated cost estimates.
24. Whether special engineering cost estimates for 2008 through 2013 were overstated by \$63,928,000 in the calculation of the Delta Water Charge capital and transportation capital components for the 2009 Statements of Charges. Resolution: The Department used corrected special engineering cost estimates.
25. Whether 2007 deliveries of 5,000 acre-feet taken from storage in the San Joaquin Valley were billed as if they were delivered from the Delta. Resolution: The Department included a 5,000 acre-feet credit in 2007 at reach 12E.
26. Whether the fish replacement charge unit rate computed for 2008 was used for calculating the 2009 charge, resulting in a \$90,000 overstatement of the variable component. Resolution: The Department updated the fish replacement charge unit rate for 2009.
27. Whether Oroville revenues included in the Delta Water Rate calculation for 2035 in the 2009 Statements of Charges were overstated by approximately \$4,960,000. Resolution: The Department revised the Oroville revenues.
28. Whether relocation costs for the Division of Environmental Services were omitted from the transportation minimum component. Resolution: The Department included relocation costs in the transportation minimum component.
29. Whether the Municipal Water Quality Investigation charges were overstated for the 2009 Statements of Charges. Resolution: The Department revised the allocation of the Municipal Water Quality Investigation charges.
30. Whether the Water table redistribution entries for 2006 and 2007 to allocate costs between the minimum and variable charges were calculated using outdated water information. Resolution: The Department updated all water delivery amounts and the allocation of costs
31. Whether Metropolitan's November and December 2006 variable payments totaling approximately \$940,000 were improperly excluded from the 2006 payment amount and the 2007 payment is understated by approximately \$5,000 in its Statement of Charges. Resolution: The Department reversed Metropolitan's November and December 2006 variable payments totaling approximately \$940,000 and the 2007 payment by approximately \$5,000.
32. Whether Hyatt-Thermalito Units 1, 3 and 5 refurbishment costs included in the variable component were overstated by \$1,190,000 due to the use of outdated costs. Resolution: The Department updated Hyatt-Thermalito Units 1, 3 and 5 refurbishment costs for the 2010 Statements of Charges.
33. Whether the Los Angeles Department of Water and Power (LADWP) peaking credit was excluded from the computation of the 2005 variable component. Resolution: The Department included a peaking credit in the amount of approximately \$587,100.

34. Whether Hyatt-Thermalito operating costs, included as a credit in the Delta Water Charge, were understated by \$2,968,000 for 2008 and overstated by \$637,000 for 2009. Resolution: The Department updated the Hyatt-Thermalito operating costs.
35. Whether payments received from the USBR in 2006 totaling approximately \$166,000 for San Luis capital costs should have been recorded in the SAP accounting system. Resolution: The Department recorded approximately \$166,000 for San Luis capital costs in the SAP accounting system.
36. Whether when the transportation capital over/under calculation is performed, the deferral of charges, the repayment and Reach 33A power credits are reflected in the "Payment Received" column on Attachment 4A to the Statement of Charges creating a large difference each year. Resolution: The Department adjusted the "payments received" column on Attachment 4A to exclude the Reach 33A power charges and credits and the deferral of payments and repayment from 1997 to 2006 and this was reflected in the 2010 Statements of Charges
37. Whether CCWA's transportation variable payments on Attachment 4C in the 2009 and 2010 Statements of Charges for the years 1999, 2003, and 2006 are less than the amounts actually paid by CCWA in those years. Resolution: The Department determined that 1999 and 2003 payments shown on Attachment 4C were the correct amounts. The Department corrected the payment amount for 2006 and this was reflected in the 2011 Statements of Charges.
38. Whether Metropolitan's 2008 variable component was overstated due to the use of incorrect unit rates, resulting in an overbilling of Metropolitan's transportation variable component by approximately \$4,242,000. Resolution: The Department made adjustments on a number of items including unit rates for the transportation variable component calculation, and Metropolitan's transportation variable component amounts were reduced by more than \$11 million for 2008.
39. Whether Monterey Amendment Litigation costs totaling \$8.4 million from 2002 to 2009 were included twice in the transportation minimum component. Resolution: The Department removed the double-billed costs, from 2001 to 2010, from the transportation minimum component.
40. Whether refurbishment costs for Hyatt Units 1, 3 and 5 totaling \$6.1 million, from 1999 to 2008, were incorrectly included in the Delta Water Charge and variable components. Resolution: The Department included the refurbishment costs of approximately \$6.1 million in the variable component and included an offsetting credit in the Delta Water Charge
41. Whether the Bay Delta Conservation Plan charges for 2007, 2008 and 2009 totaling approximately \$7.5 million were double billed by including the charges in both the transportation and conservation minimum components. Resolution: This Department removed the Bay Delta Conservation Plan charges for 2007, 2008 and 2009 from the conservation minimum component of the Delta Water Charge.
42. Whether debt service credit included in the Delta Water Charge to offset the refurbishment costs for Hyatt Units 2, 4 and 6, was understated by \$1.7 million. Resolution: The Department updated the debt service credit included in the Delta Water Charge.
43. Whether the present value of water used in the calculation of the Delta Water Rate was based on outdated information for Year 2010. Resolution: The Department adjusted the water data.

44. Whether the 2010 recovery generation amounts for Alamo and Mojave Siphon were understated by approximately \$1,072,000 due to an incorrect use of the mill rates. Resolution: The Department updated Alamo Powerplant unit rate from 62mills per kWh to 65 mills per kWh and Mojave Siphon unit rate from 87mills per kWh to 95 mills per kWh.
45. Whether the fish replacement charge unit rate computed for 2009 was used for calculating the 2010 fish replacement charge, resulting in a \$109,000 understatement of the variable component. Resolution: The Department updated the 2010 fish replacement charge unit rate.
46. Whether conservation water delivered through Banks was not considered in the calculation of the downstream allocation of costs for 1999 to 2008. Resolution: The Department modified the SAP downstream calculation to include conservation water.
47. Whether the LADWP peaking credits for 2006 and 2008 were understated by approximately \$588,000 and \$54,000, respectively, in the transportation variable charges. Resolution: The Department adjusted the peaking credits to reflect a credit of approximately \$587,500 for 2006 and \$54,000 for 2008.
48. Whether power revenues for 2013 through 2035 are understated by \$16.4 million due to the understatement of the 2010 through 2012 power credits on which these future estimates are based. Resolution: The Department updated the power credits for the 2012 Statements of Charges.
49. Whether credits for 2009 wheeling water transactions totaling approximately \$1,874,000 were not recorded in the SAP accounting system. Resolution: The Department posted credits for wheeling water totaling \$1,675,006.95 in the SAP accounting system.
50. Whether deliveries of 300 acre-feet, taken from storage in the San Joaquin Valley, were billed as if they were delivered from Delta. Resolution: The Department restored a 300 acre-foot credit in 2009 at reach 10A.
51. Whether the replacement over/under adjustment for 2010 was improperly excluded from the replacement charges. Resolution: The Department restored the 2010 over/under adjustment.
52. Whether the Department erroneously excluded labor cost estimates for 2010 and 2011 from the replacement cost estimates. Resolution: The Department restored the labor cost estimates.
53. Whether gas hedging costs for 2009 were overstated in the SAP accounting system by approximately \$3.8 million, resulting in a misallocation of costs among Contractors for years 2008 - 2010. Resolution: The Department revised total annual gas hedging costs in the SAP accounting system.
54. Whether Pine Flat operations and maintenance charges for 2009 were overstated in the SAP accounting system by approximately \$375,480. Resolution: The Department reversed the Pine Flat operations and maintenance charges from the incorrect years and posted to the correct years for 2007 to 2010, and this was reflected in the 2013 Statements of Charges.
55. Whether PG&E credits totaling \$900,000 were posted to direct-to-plant transmission costs for Banks Pumping Plant, rather than to 2009 power revenues. Resolution: The Department determined that application of the credit to the direct-to-plant transmission costs for Banks

Pumping Plant was appropriate.

56. Whether a power credit for one month totaling approximately \$450,000 related to a 2010 PG&E settlement credit was included incorrectly in the 2009 Preliminary Allocation of Power Costs and in the SAP accounting system. Resolution: The Department moved the approximately \$450,000 power credit from 2009 to 2010 and this was reflected in the 2013 Statements of Charges.
57. Whether the Power revenues of approximately \$2.6 million were not included in the 2009 Preliminary Allocation of Power Costs but were included in SAP and allocated to Contractors in the 2011 Statements of Charges. Resolution: The Department determined revenues were properly included in SAP and allocated to Contractors.
58. Whether Table B-5A in Bulletin 132-10 should have been published with credits being identifiable. Resolution: The Department added Table B-5A-Adjustments, which identifies credits, to Bulletin 132-11, and the table will be included in future bulletins.
59. Whether Bulletin 132, Appendix Table B-1 should reflect permanent Table A water transfers. Resolution: Table B-1, as noted in the footnote to Table B-1, does not include permanent Table A water transfers. However, the Department determined that the capital component for each water Contractor is calculated correctly for each permanent Table A water transfer.
60. Whether the 2009 minimum component used for the 2011 Statements of Charges was calculated with minimum Proportionate Use of Facilities Factors per SAP rather than Bulletin 132-08 (due to 2009 addition of reach 22B for AVEK after B tables published). Resolution: The Statements of Charges were based on the correct Proportionate Use of Facilities Factors.
61. Whether Table B-2 of Bulletin 132-10 did not reflect a 7,000 AF transfer between Dudley Ridge and Mojave Water, effective in 2010. Resolution: The Department corrected the Table B-2 by reflecting the 7,000 AF transfer in Table B-2 for the 2012 Statements of Charges.
62. Whether the over/under adjustment calculation for the transportation replacement in the 2011 Statements of Charges contained discrepancies regarding 2008 and 2009 costs and payments. Resolution: The Department updated the 2008 and 2009 costs and payments used for the over/under adjustment calculation for transportation replacement for the rebill of the 2011 Statements of Charges.
63. Whether the over/ under adjustment calculation for transportation replacement for the 2011 Statements of Charges missed the over/under calculation for 2010. Resolution: The Department restored the 2010 over/under adjustment for the rebill of the 2011 Statements of Charges.
64. Whether taxes included in the preliminary year-end allocation of the 2009 Off Aqueduct Power charges were overstated by \$170,558, due to taxes related to 2008 being posted to 2009. Resolution: The Department adjusted the posting date of the taxes back to 2008 for the 2012 Statements of Charges.
65. Whether the Off Aqueduct Power revenue included in the year-end allocation of the 2008 Off Aqueduct Power Facilities Charges was understated by \$3,229,889. The Department revised the year-end allocation of the 2008 Off Aqueduct Power charges after receiving additional revenue from Nevada Power Company.

66. Whether operation and maintenance costs for Reid Gardner included in the Preliminary Year-end Allocation of the 2009 Off-Aqueduct Power Facilities Charges included estimates of \$1.5 million, even though actual costs in SAP were \$745,363. Resolution: The Department replaced estimates with actual costs of \$745,363 in the Year-end Allocation of the 2009 Off-Aqueduct Power Facilities Charges.
67. Whether the 2009 capital Oroville power reclassification was understated by approximately \$1,258,666. Resolution: The Department updated the 2009 Oroville power adjustments for the 2012 Statements of Charges.
68. Whether the minimum Oroville power credits were understated in 2009 by approximately \$2.1 million. Resolution: The Department updated the 2009 minimum Oroville power credits for the 2012 Statements of Charges.
69. Whether the Delta minimum component contractor revenues from 1998 to 2009 were overstated by approximately \$1 million and Delta capital component contractor revenues from 2007 to 2009 were understated by \$211,152. Resolution: The Department updated the Delta contractor revenues from 1998 to 2009 for the 2014 and 2015 Statements of Charges.
70. Whether the Department methodology of computing Delta Water Rate does not acknowledge that Contractors make semi-annual capital and monthly minimum payments, and therefore deprives Contractors of related interest benefits. Resolution: The contractors withdrew this claim.
71. Whether in the Department's annual publication Bulletin 132-10, Table B-21, "Total Delta Water Charge for Each Contractor" did not correctly reflect a 7,000 acre foot transfer between Dudley Ridge Water District and Mojave Water Agency. Resolution: The Department revised and included the water transfer in Bulletin 132-11.
72. Whether Attachment 8 in the 2010 Statement of Charges did not reflect actual Municipal Water Quality Investigation charges. Resolution: The Department revised and included the actual Municipal Water Quality Investigation charges in the Attachment 8 for the 2012 Statements of Charges.
73. Whether the 2008 Delta Habitat Conservation and Conveyance Program payments were incorrectly included as 2009 payments and as a result the 2009 transportation minimum charges in Attachment 4B of the 2010 Statements of Charges were overstated by approximately \$3.7 million. Resolution: The Department removed the 2008 Delta Habitat Conservation and Conveyance Program costs from the 2009 transportation minimum charges and the revision was reflected in the 2012 Statements of Charges.
74. Whether power costs in 2006 and 2007 were overstated by \$4,477,000. Resolution: The Department updated 2006 and 2007 power costs.
75. Whether 1999 and 2000 equipment purchases were allocated statewide, resulting in a double billing of these charges. Resolution: The Department reversed the double billing of the equipment purchases.
76. Whether planning and pre-operating costs for the Franks Tract project for 2011 to 2013 totaling approximately \$6.5 million were incorrectly included in the Delta Water Rate calculation. Resolution: The Department removed the pre-operating costs for the Franks Tract project from Delta Water Rate calculation.

77. Whether Pine Flat Power plant costs for 2008-2010 were recorded in the incorrect year. Resolution: The Department revised its records to record the 2008-2010 costs in the years when the service was provided.
78. Whether power revenues for 2000 of \$142,000 were double posted in the system. Resolution: The Department removed the double posting in 2012.
79. Whether the Gianelli Pumping and Generating Plant estimates totaling approximately \$168,000 were charged to the transportation minimum component but should have been charged to the Delta Water Charge in the 2012 Statements of Charges. Resolution: The Department moved approximately \$168,000 to the Delta Water Charge from the transportation minimum component.
80. Whether the 2010 fish replacement credit was improperly excluded from the variable charges. Resolution: The Department allocated the credit to the variable charges in the normal reconciliation process.
81. Whether the 45,000 acre-feet of relinquished capacity amounts included in the 2012 Delta Water Charge calculation were outdated. Resolution: The Department updated the 45,000 acre-feet of relinquished capacity amounts in the Delta Water Rate calculation.
82. Whether the administrative fee credits to the Contractors for the costs of wheeling non-Table A water of approximately \$13,500 was over credited in the 2012 SOC. Resolution: The Department reversed the credit of approximately \$13,500 to the Contractors.
83. Whether CAISO charges for 2003, 2007, 2009 and 2010 totaling approximately \$8.8 million were recorded in incorrect years. Resolution: The Department made adjustments to record the CAISO charges in the correct years and this was reflected in the 2014 Statements of Charges.
84. Whether outdated 2010 conservation replacement amounts were used in calculating the 2012 conservation replacement rate. Resolution: The Department updated the conservation replacement costs.
85. Whether the Delta Fish survival improvement program and FERC licensing compliance costs totaling approximately \$1,101,000 were excluded from the Contractors' 2012 Statements of Charges. Resolution: The Department included costs totaling approximately \$1,031,000 for the Delta Fish survival improvement program and FERC licensing compliance costs.
86. Whether the 2010 Power Allocation Table was calculated incorrectly by including transmission costs in calculating the power allocation factors. Resolution: The Department updated the 2010 Power Allocation Table with power allocation factors based on only the energy costs for the 2013 Statements of Charges.
87. Whether gas hedging costs for 2010 were overstated in the SAP accounting system by approximately \$1.7 million. Resolution: The Department revised total annual gas hedging costs in the SAP accounting system and this was reflected in the 2013 Statements of Charges.
88. Whether a portion of 2010 operation and maintenance costs of Pine Flat Power Plant was incorrectly recorded in 2009. Resolution: The Department moved the accounting posting date for the portion of Pine Flat Power Plant operation and maintenance costs from 2009 to 2010.

89. Whether the 2006 transportation variable calculated component was overstated by approximately \$3 million due to the Department posting an adjusting entry intended to properly reallocate gas hedging costs. Resolution: The Department revised total annual gas hedging costs in the SAP accounting system and this was reflected in the 2013 Statements of Charges.
90. Whether the KCWA-AG 2009 variable transportation component was understated in the 2012 Statement of Charges due to understated water deliveries for KCWA-AG. Resolution: The Department updated the 2009 water delivery data for KCWA-AG and increased the 2009 variable charges for KCWA-AG for the 2013 Statements of Charges.
91. Whether the 2010 Coastal Reallocation costs were calculated using 2008 Proportionate Use of Facilities Factors rather than 2010 Proportionate Use of Facilities Factors. Resolution: The Department updated the Proportionate Use of Facilities Factors data for the 2010 Coastal Reallocation costs calculation and this was reflected in the 2013 Statements of Charges.
92. Whether the Delta Water Charge was overstated by \$341,371 due to the reclassification related to the relinquished capacity from Kern County and Dudley Ridge being overstated in the Delta Water Charge from 2008-2035. Resolution: The Department updated the charges related to relinquished capacity and the Delta Water Charge and this was reflected in the 2013 Statements of Charges.
93. Whether the Off-Aqueduct Power charges were misstated for all Contractors from 2009 to 2012 due to miscalculations contained in the manual allocation schedule of Reid Gardner separation costs. Resolution: The Department revised the calculation of the Reid Gardner separation costs for the 2013 Statements of Charges.
94. Whether 2009 Year-End and 2010 Preliminary Allocations of Off-Aqueduct Power charges were misallocated due to the Department using improper energy factors for Dudley Ridge, MWDSC and San Gabriel Valley in the calculation of the annual energy requirement. Resolution: The Department updated the 2009 and 2010 Off-Aqueduct Power charges with revised energy factors for the 2013 Statements of Charges.
95. Whether the 2011 May Allocation of Off-Aqueduct Power Charges were misallocated as the Department omitted water delivery credits to KCWA-AG and Tulare Lake Basin Water Storage when calculating the total energy requirement for 2011. Resolution: The Department updated the water delivery data, resulting in the correct 2011 Preliminary Year-End Allocation.
96. Whether conservation water at the Banks Pumping Plant was improperly excluded from 1998 to 2011 when calculating the variable unit rates. Resolution: The Department implemented a program fix in January 2013 to include the conservation water in the calculation of unit rate at the Banks pumping plant and applied the fix to the 1998 to 2011 time period
97. Whether outdated 2010 and 2011 conservation replacement amounts were used and revenues of \$8,858,000 were excluded in calculating the conservation replacement rate. Resolution: The Department updated the 2010 and 2011 conservation replacement charges
98. Whether Los Angeles Department of Water and Power peaking payments were improperly excluded from the 2012 and 2013 transportation variable charges. Resolution: The Department added the peaking payments in the 2012 and 2013 transportation variable charges.

99. Whether estimated costs for the Battle Creek Phase 2 project under the Fish Restoration Program were overstated by \$6,000,000 in 2014. Resolution: The Department updated the cost estimates of the Battle Creek Phase 2 project.
100. Whether the fish survival improvement program costs totaling approximately \$57,000 should have been included in the calculation of the Delta Water Rate in the 2013 Statements of Charges. Resolution: The Department updated the fish survival improvement program costs and included approximately \$57,000 in the calculation of the Delta Water Rate.
101. Whether a credit in the amount of approximately \$241,000 for year 2007-2008 related to the Delta Habitat Conservation and Conveyance Program was incorrectly included in the Delta Water Rate calculation. Resolution: The Department reviewed the charge/credit and determined that the credit was not related to Delta Habitat Conservation and Conveyance Program and was correctly included in the Delta Water Rate calculation.
102. Whether the mill rate used to compute the 2013 recovery generation credit for Mojave Siphon was incorrect. Resolution: The Department updated the mill rate from 151 mills per kWh to 146 mills per kWh for the 2013 recovery generation credit for Mojave Siphon.
103. Whether FERC relicensing costs for the reoperation of the Pyramid Dam project totaling approximately \$630,000 for Year 2011 were included in the transportation minimum component instead of the variable component. Resolution: The Department moved the costs in the amount of approximately \$630,000 from the transportation minimum component to the transportation variable component.
104. Whether costs included in the alpha cost center number 2030FWF001 were recovered twice from the contractors, resulting in an overstatement of charges of approximately \$629,734 in 2011. Resolution: The Department reduced the charges of approximately \$629,734 in the alpha cost center number 2030FWF001 for Year 2011 and this was reflected in the 2014 Statements of Charges.
105. Whether the number of furlough months in 2010 was misstated in the process of estimating future conservation minimum costs. Resolution: The Department revised 2010 furlough months in calculating the Delta Water Charges for the May estimate of the 2014 Statements of Charges.
106. Whether future estimates of the conservation minimum costs for San Luis were incorrectly calculated for years 2015-2035. Resolution: The Department removed unrelated recreational costs from the calculation of 2015-2035 estimates of the conservation minimum costs for San Luis and this was reflected in the 2015 Statements of Charges.
107. Whether future estimates for Hyatt-Thermalito facilities were incorrectly calculated by not using the bond amortization schedule which is the source of accurate future payments, resulting in an understatement of power revenues by \$266,980. Resolution: The Department replaced the estimated debt service amounts with the actual debt service schedule for the 2014 Statements of Charges.
108. Whether the available funds calculation double counts the minimum relinquished capacity costs, resulting in an understatement of available funds in the 2013 Statements of Charges. Resolution: The Department removed the minimum relinquished capacity line in the available funds calculation and this was reflected in the 2014 Statements of Charges.

109. Whether the 2011 Power Allocation Table was improperly calculated by including direct-to-plant transmission costs in the calculation of the power allocation factors, resulting in a misallocation of net system power costs in the 2013 Statements of Charges. Resolution: The Department updated the 2011 Power Allocation Table and this was reflected in the 2014 Statements of Charges.
110. Whether the Department did not use the SAP accounting system to calculate the 2012 transportation variable component in the 2014 Statements of Charges and the manual calculation resulted in an overstatement for its 2012 transportation variable charges. Resolution: The Department revised the 2012 transportation variable charges using the SAP accounting system.
111. Whether water delivery information used in the calculation of 2013 and 2014 transportation replacement charges was outdated. Resolution: The Department updated water delivery information.
112. Whether 2007 contractors payments included in the Delta Water Rate were reduced by \$3.4 million in error. Resolution: The Department revised the 2007 contractor's revenues in calculating the Delta Water Charges.
113. Whether the mill rates used to compute the 2014 recovery generation charges and credits for Alamo and Mojave Siphon were incorrect. Resolution: The 2014 rates were correct.
114. Whether faulty meter equipment readings resulted in errors in the 2012 water data used to calculate 2014 Statements of Charges. Resolution: The Department updated the 2012 water table for reaches 8C to 16A.
115. Whether transportation minimum costs for 2003 through 2007, totaling \$1,447,000, were improperly excluded from the contractors' charges. Resolution: The Department charged the contractors approximately \$1 447,000for costs not billable to the United States Bureau of Reclamation for the joint use facilities for 2003 through 2007 and this was reflected in the 2015 Statements of Charges.
116. Whether overhead costs totaling approximately \$400,000 were improperly excluded from the Contractors' charges in the 2014 Statements of Charges. Resolution: The Department included overhead costs totaling approximately \$400,000 in the overhead calculation for fiscal year 2014.
117. Whether FERC 2426 relicensing costs for 2013 and 2014 were improperly excluded from the transportation variable components in the 2014 Statements of Charges. Resolution: The Department reviewed the issue and determined to capitalize the FERC 2436 relicensing costs for 2013 and forward.
118. Whether Operation and Maintenance costs related to Pine Flat Power Plant for 2012 were overstated by approximately\$529,834 by including the costs for the first quarter of 2013 in the 2012 Operation and Maintenance costs. Resolution: The Department removed the cost of the first quarter of 2013 from the 2012 total costs.
119. Whether Pacific Gas and Electric transmission costs amounting to approximately \$156,463 with a service period of 2013 were improperly included in the 2012 costs in the SAP accounting system. Resolution: The Department reversed approximately \$156,463 in

transmission costs for 2012 and reposted it in 2013 in the SAP accounting system and this was reflected in the 2015 Statements of Charges.

120. Whether Oroville flood control charges for 2008 totaling approximately \$201,000 should have been included in the Delta Water Rate calculation. Resolution: The Department included the charges for 2008.
121. Whether accounting adjustments to correct the effect on the downstream distribution of energy costs should have been reflected in the 2010 Statement of Charges. Resolution: The Department reflected the costs adjustments to correct the effect on the downstream distribution of energy costs for the 2011 Statements of Charges.
122. Whether the Division of Environmental Services estimates of Delta Fish Agreement charges for 2010 should not have been excluded from the transportation variable component calculation, which understated Metropolitan's transportation variable component by approximately \$3,235,000 in the 2011 Statement of Charges. Resolution: The Department included the Delta Fish Agreement charges for 2010 in the variable component for all contractors and this is reflected in the 2012 Statements of Charges.
123. Whether FERC-related administrative costs for Pyramid Dam were improperly excluded from the recovery generation credits for the 2012 Statements of Charges. Resolution: The Department added FERC administrative costs of \$1,192,000 to the recovery generation credit in May 2012 and this was reflected in the 2013 Statements of Charges.
124. Whether the Replacement Accounting System charges for 2012 were computed using outdated information. Resolution: The Department corrected the Replacement Accounting System charges for 2012 and this was reflected in the 2013 Statements of Charges.
125. Whether Metropolitan's 2009 payment for transportation minimum charges was overstated by approximately \$946,000 in the 2012 Statement of Charges. Resolution: The Department corrected Metropolitan's 2009 transportation minimum payment eliminating the overstatement of approximately \$946,000 and this was reflected in the 2013 Statements of Charges.
126. Whether costs allocated to the East Branch Enlargement in the 2012 Statements of Charges were improperly reduced by an amount allocated to recreation. Resolution: The Department updated the project purpose allocation factors for the East Branch Enlargement to eliminate the recreation project purpose and this was reflected in the 2015 Statements of Charges.
127. Whether future estimates for Delta Facilities used for the 2013 Statements of Charges were allocated entirely to the contractors when a portion should be allocated to recreation. Resolution: The Department determined the correct project purpose factor was being used when calculating the Delta Facilities capital projections.
128. Whether Enron revenues of approximately \$340,000 were recorded twice in the transportation variable component for the 2013 Statements of Charges. Resolution: The Department eliminated the duplicate approximately \$340,000 transportation variable component entry and this was reflected in the 2014 Statements of Charges.
129. Whether Delta Habitat Conservation and Conveyance Program costs were under collected by approximately \$387,001 in the 2009 Statements of Charges. Resolution: The Department

corrected the line item specific to the reallocation of the 2009 Delta Habitat Conservation and Conveyance Program costs in Attachment 4B and this was reflected in the 2014 Statements of Charges.

130. Whether revenues totaling approximately \$5,370,000 received from 1999 to 2013 from a contract between the Department and the North Delta Water Agency have not properly reduced the contractors' charges. Resolution: The Department applied Delta Water rate credits of approximately \$5.5 million from 1999 to 2014 related to the North Delta Water Agency contract and this is reflected in the 2016 Statements of Charges.
131. Whether future estimates of the conservation minimum costs for San Luis are incorrectly calculated for years 2016-2035 for the 2014 Statements of Charges. Resolution: The Department corrected the future estimates of the conservation minimum costs for San Luis for years 2016-2035 and this is reflected in the 2015 Statements of Charges.
132. Whether BDCP costs should have been removed from the historical SAP costs in the conservation minimum three-year average calculation for the 2014 Statements of Charges. Resolution: The Department removed the BDCP costs from the conservation minimum three-year average calculation and this was reflected in the 2015 Statements of Charges.

EXHIBIT 3

ISSUES THAT MAY BE EXCLUDED FROM THE TERM “CLAIMS” UPON 60 DAYS ADVANCE NOTICE

1. The Department of Water Resources’ change in funding the costs of the San Joaquin Valley Drainage program from the Capital Facilities Account (as established pursuant to Article 51 (b) (1) of the State Water Contract) prior to 2006 to operations and maintenance costs beginning in 2006, but not including the Department’s retention of unused Capital Facility Account balances in 2006 and 2007 for anticipated future year capital expenditures (which retention issue shall not be subject to exclusion upon 60 days notice).
2. All Claims arising out of or related to the determination, allocation and/or payment of fish and wildlife enhancement and recreation costs incurred in constructing, operating and maintaining the State Water Project Perris Reservoir and any of its appurtenant, ancillary or related facilities, including, but not limited to, such costs associated with any actions taken at Perris Reservoir to address seismic safety issues. (“Claims” as used in this item 2, does not include the issue described in Exhibit 1, item 1.)

EXHIBIT 4

**CONTRACTORS WHICH SIGNED PRIOR TOLLING AGREEMENT AMENDMENT
EXTENDING TOLLING PERIOD TO DECEMBER 31, 2015 AND WHICH ARE EXPECTED
TO ENTER INTO AMENDMENT TO EXTEND TOLLING PERIOD TO DECEMBER 31,
2017**

Jill Duerig, General Manager
Alameda County FC&WCD, Zone 7
100 North Canyons Parkway
Livermore, CA 94551

Dale Melville, Manager-Engineer
Dudley Ridge Water District
286 W. Cromwell Ave
Fresno, CA 93711-6162

Robert Shaver, General Manager
Alameda County Water District
43885 So. Grimmer Blvd.
Fremont, CA 94537

John Howe, Manager
Empire West Side Irrigation District
P.O. Box 66
Stratford, CA 93266

Daniel Flory, General Manager
Antelope Valley/East Kern Water Agency
6500 West Avenue N
Palmdale, CA 93551-2855

Jim Beck, General Manager
Kern County Water Agency
P.O. Box 58
Bakersfield, CA 93302

Bruce Alpert, County Counsel
Butte County
2279 Del Oro Avenue, Suite A
Oroville, CA 95965

Larry Spikes, Administrative Officer
County Of Kings
1400 West Lacey Blvd
Hanford, CA 93230

Dan Masnada, General Manager
Castaic Lake Water Agency
27234 Bouquet Canyon Road
Santa Clarita, CA 91350

Travis Berglund, General Manager
Littlerock Creek Irrigation District
35141 N.87th Street East
Littlerock, CA 93543

Jeffrey Foltz, City Administrator
City of Yuba City
1201 Civic Center Blvd
Yuba City, CA 95993

Jeff Kightlinger, General Manager
Metropolitan Water District
P.O. Box 54153
Los Angeles, CA 90054

Jim Barrett, General Manager
Coachella Valley Water District
P.O. Box 1058
Coachella, CA 92236

Kirby Brill, General Manager
Mojave Water Agency
13846 Conference Center Drive
Apple Valley, CA 92307

Roxanne Holmes, General Manager
Crestline/Lake Arrowhead Water Agency
P.O. Box 3880
Crestline, CA 92325

Phillip Miller, District Engineer
Napa County FC & WCD
1195 Third Street, Room 201
Napa, CA 94559

Dave Luker, General Manager
Desert Water Agency
P.O. Box 1710
Palm Springs, CA 92263-1710

Dennis Lamoreaux, General Manager
Palmdale Water District
2029 East Avenue Q
Palmdale, CA 93550

Douglas Headrick, General Manager
San Bernardino Valley MWD
380 East Vanderbilt Way
San Bernardino, CA 92408

Darin Kasamoto, General Manager
San Gabriel Valley MWD
P.O. Box 1299
Azusa, CA 91702

Jeff Davis, General Manager
San Geronio Pass Water Agency
1210 Beaumont Avenue
Beaumont, CA 92223

Dean Benedix, Utilities Div. Manager
San Luis Obispo County FC&WCD
Government Center, Room 207
San Luis Obispo, CA 93408

Matt Naftaly
Santa Barbara County Water Agency
123 East Anapamu Street, 2nd Floor
Santa Barbara, CA 93101-2058
and

Ray Stokes, Executive Director
Central Coast Water Agency
255 Industrial Way
Buellton, CA 93427-9565

William Harrison, Manager
Oak Flat Water District
P.O. Box 1596 / 17840 Ward Avenue
Patterson, CA 95363

Beau Goldie, Chief Executive Officer
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

Thomas Pate, Interim General Manager
Solano County Water Agency
810 Vaca Valley Parkway
Vacaville, CA 95688

Mark Gilkey, General Manager
Tulare Lake Basin WSD
1001 Chase Avenue
Corcoran, CA 93212

Norma Camacho, Director
Ventura County Watershed Protection District
800 S. Victoria Avenue
Ventura, CA 93009-1600
and

Steve Wickstrum, General Manager
Casitas Municipal Water District
1055 Ventura Avenue
Oakview, CA 93022-9622

ACTION OF
SOLANO COUNTY WATER AGENCY

DATE: December 10, 2015

SUBJECT: Flood Control Advisory Committee Re-Appointments

RECOMMENDATION:


Reappoint public members Ron Campbell, Terry Connolly, Ron Koehne, and Laura Peters to two year terms on the Flood Control Advisory Committee.

FINANCIAL IMPACT:

None.

BACKGROUND:

The Flood Control Advisory Committee was established in 1988 with two year staggered terms of service. The Flood Control Advisory Committee now consists of 11 members. Two representatives appointed by the Solano County Water Agency Advisory Commission, three representatives of the Resource Conservation Districts and six public members appointed by the Board of Directors of the Solano County Water Agency.

Recommended:  _____
Roland Sanford, General Manager

<input type="checkbox"/>	Approved as recommended	<input type="checkbox"/>	Other (see below)
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Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on December 10, 2015 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

FLOOD CONTROL ADVISORY COMMITTEE – MEMBERSHIP

The Flood Control Advisory Committee Public Memberships are established as two (2)-year, staggered terms for service. The Flood Control Advisory Committee consists of eleven (11) members: two (2) representatives appointed by the Solano County Water Agency Advisory Committee, three (3) representatives of the Resource Conservation Districts and six (6) public members appointed by the Solano County Water Agency. The full listing of FCAC membership with current applicable terms and officers is presented below.

SOLANO COUNTY WATER AGENCY FLOOD CONTROL ADVISORY COMMITTEE			
PUBLIC MEMBERSHIP TERMS:			
NAME	REGION	APPOINTED	TERM ENDS
Campbell, Ron	English Hills	Mar. 2006	Dec. 31, 2015
Connolly, Terry	Suisun Marsh	Feb. 2014	Dec. 31, 2015
Karnopp, Charles	Wolfskill	Feb. 2005	Dec. 30, 2016
**Koehne, Ron	Upper McCune	Jan. 2010	Dec. 31, 2015
Lum, Paul	Allendale	Feb. 2003	Dec. 31, 2016
Peters, Laura	Horse Creek / Leisure Town	Sept. 2004	Dec. 31, 2015
RESOURCE CONSERVATION DISTRICTS:			
Chappell, Steve		Suisun RCD	
Holdener, Mark		Dixon RCD	
*Riddle, Terry		Solano RCD	
SCWA ADVISORY COMMISSION:			
Daniels, Jim		Solano Irrigation District	
Steve Hartwig		City of Vacaville Dept. of Public Works	
*Chairman **Vice Chairman			

ACTION OF
SOLANO COUNTY WATER AGENCY

DATE: December 10, 2015

SUBJECT: Amendment for the Putah South Canal Headworks Project

RECOMMENDATION:

Authorize General Manager to execute Amendment No. 2 with Smith Inspection.


FINANCIAL IMPACT:

The amendment will consist of an increase in contract amount of \$47,000 (\$75,000 to \$122,000). Funding is programmed and available in the current fiscal year Solano Project Rehabilitation and Betterment Program budget for this expense.

BACKGROUND:

The purpose of the amendment with Smith Inspection is to provide an appropriate level of inspection services during the construction of the PSC Headworks Improvement Project. The project has experienced several unexpected delays and construction changes, necessitating additional inspection services. The amendment will provide the inspection support needed to bring the project to completion.

The PSC Headworks Improvement Project is a major capital improvement project located at the Putah Diversion Dam facility. The project involves replacement of the intake screens and screen cleaning system, addresses settlement issues, and provides electrical upgrades. The Board previously approved the purchase of the Brackett® Bosker Raking Machine automated screen cleaning system, at a cost of \$746,150. The Board also awarded a construction contract to Anderson Pacific to implement the improvement plans which includes installation of the screen cleaner system for the amount of \$1,199,215.

Recommended: 
Roland Sanford, General Manager

<input type="checkbox"/> Approved as recommended	<input type="checkbox"/> Other (see below)
--	--

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on December 10, 2015 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

SOLANO COUNTY WATER AGENCY

AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

AMENDMENT NUMBER: 2

CONTRACTOR: Smith Inspection

EFFECTIVE DATE: December 10, 2015

PROJECT: PSC Headworks Inspection

DESCRIPTION OF AMENDMENT:

1. Increase contract amount by \$47,000 from \$75,000 to \$122,000.

SIGNATURES:

Solano County Water Agency,
a Public Agency

Robert Smith
dba: Smith Inspection

By: _____
Roland Sanford,
General Manager

By: _____
Robert Smith,
Smith Inspection

SOLANO COUNTY WATER AGENCY



MEMORANDUM

TO: Board of Directors

FROM: Roland Sanford, General Manager

DATE: December 4, 2015

SUBJECT: December General Manager's Report

This month's Board meeting is once again largely devoted to the ongoing strategic planning effort and groundwater management in the Solano Subbasin. Both projects are reaching critical decision points in terms of scope and cost. Other items of note:

Chinook Salmon in Putah Creek

Last week as many as 400 adult Chinook salmon were reportedly observed in Putah Creek, downstream of the Putah Diversion Dam. This is by far, the most salmon observed in Putah Creek in decades. At least the majority of the salmon are thought to be hatchery fish, apparently attracted to Putah Creek by the recent pulse flow releases from the Putah Diversion Dam (pulse flow releases are made pursuant to the Putah Creek Accord and are intended to attract adult salmon to Putah Creek).

Preliminary Water Supply Allocations for 2016

Last week the Department of Water Resources announced preliminary water supply allocations for 2016. Currently, the North Bay Aqueduct allocation has been set at 15% of the full "Table A" amount. Preliminary allocations are always conservatively low and generally represent worst case conditions – little or no runoff during the coming rainy season. In 2015 the preliminary North Bay Aqueduct allocation was set at 10%, and as the rainy season progressed, was eventually increased to 25%.

The water supply picture for the Solano Project remains much more favorable. Lake Berryessa is half full, with approximately 800,000 acre-feet currently in storage. Full (100%) water supply allocations are anticipated for 2016.



ACTION OF
SOLANO COUNTY WATER AGENCY

DATE: December 10, 2015

SUBJECT: Status Update: Preparation of SCWA Strategic Plan


RECOMMENDATION: Hear General Manager’s report and provide direction to staff

FINANCIAL IMPACT: None at this time

BACKGROUND:

On March 12, 2015 the Board established a SCWA Strategic Planning Stakeholder Group and authorized staff to solicit consultant proposals for the preparation of a strategic plan. Kennedy/Jenks Consultants was ultimately retained and has been working with staff and the Strategic Planning Stakeholder Group to develop the strategic plan. The project is currently in the early stages, with a scheduled completion date of July, 2016.

Preparation of the strategic plan will involve considerable outreach and require a number of facilitated meetings/workshops – the content and scope of which are difficult to determine at this time. In view of the uncertainties, the Kennedy/Jenks scope of work has been divided into two phases, an initial “planning phase”, followed by a “plan preparation phase”. The initial planning phase, which was completed in November, included organization and coordination of initial stakeholder group meetings; one-on-one Board member, staff and interested stakeholder interviews; and the presentation of interview results at the November 12 Board meeting. Kennedy/Jenks is now poised to begin the plan preparation phase, but before doing so it is recommended the Board review what has been accomplished to date, and provide direction to staff.

Recommended: 
Roland Sanford, General Manager

☒ Continued on next page

☐ Approved as recommended ☐ Other (see below)

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on December 10, 2015 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

As a means of organizing the Board's discussion, it is recommended the Board consider the following three attached documents; the Strategic Planning Stakeholder Group Charter, the PowerPoint presentation slides from last month's Board meeting, and the tentative task schedule for the Phase II scope of work. The Strategic Planning Stakeholder Group Charter defines the purpose, responsibilities, and manner in which the Strategic Planning Stakeholder Group will operate (Note: the attached Charter includes proposed revisions, based on the Board's November 12, 2015 discussion of stakeholder interview results)

Question: *From the Board's perspective, does the Charter adequately portray the roles and responsibilities of the Strategic Planning Stakeholder Group?*

As noted during the November 12, 2015 discussion of stakeholder interview results, the interviewees expressed a number of common themes and concerns, but divergent perspectives were also recorded, particularly with regard to the role of SCWA.

Question: *Are there certain items, such as the role of SCWA, mission and vision, that should be discussed by the full Board early in the plan preparation phase, to provide guidance to the Strategic Planning Stakeholder Group?*

The strategic plan is tentatively scheduled to be completed by July 2016, encompass a 10-year planning horizon, and consists of approximately 20 to 40 pages.

Question: *What is the Board's expectations regarding the level of detail and content of the strategic plan document?*

SOLANO COUNTY WATER AGENCY



Solano County Water Agency Strategic Planning Stakeholder Group

Charter

Purpose and Goals

The purpose of the Solano County Water Agency (SCWA) Strategic Planning Stakeholder Group (SPSG) is to develop a Strategic Plan (Plan) for the SCWA. SCWA is a wholesale water supply agency providing untreated water to cities and agricultural districts from the Federal Solano Project and the North Bay Aqueduct located in the Delta out of Cache Slough. Additionally, SCWA is involved in numerous Flood Management programs within Solano County including levees bordering the Yolo Bypass in and adjacent to Solano County. SCWA also performs habitat conservation and watershed management activities.

The goals of the SPSG are to:

- Work collaboratively with other SPSG members who represent SCWA member agencies and other water users and interests throughout the entire Solano County.
- Develop a common understanding of current and future water needs and resources in Solano County.
- Support development of water resource management objectives that protect resources in a sustainable manner, ensure local control, address current and future local water needs, and support the economy and the environment.
- Negotiate in good faith to achieve consensus on the development of a Strategic Plan that will guide the management of surface and groundwater into the future.

Stakeholder Group Membership

The core Stakeholder Group is structured as an ad hoc alliance of representatives from SCWA and its member-participating agencies. ~~The core Stakeholder Group is responsible for the initial development of the Strategic Plan and recommendation of the Plan to the SCWA Board for approval.~~ Current membership includes representatives from:

- City of Benicia
- City of Dixon
- City of Fairfield
- City of Rio Vista
- City of Vacaville
- City of Vallejo
- Fairfield Suisun Sewer District
- Solano County
- RD 2068
- Solano County Flood Control Advisory Committee

- Solano County Water Agency
- Solano Irrigation District
- Suisun City

Roles and Responsibilities

Stakeholder Group: The Stakeholder Group is responsible for the initial development of the Strategic Plan and recommendation of the Plan to the SCWA Board for approval. Stakeholders are responsible for keeping their SCWA Board Member informed of the ongoing deliberations and actively seek their Board Member's input.

Work Groups or Subcommittees: The Stakeholder Group can form work groups or subcommittees to assist with its work of developing goals, objectives, and strategies for the Strategic Plan. Members of the work group need not be members of the Stakeholder Group. The work groups may develop recommendations or proposals for the full stakeholder group's consideration.

Stakeholder Group Chair: John Kluge, Solano Irrigation District, serves as the Stakeholder Group Chair. The Chair will work with the Project Manager, technical consultants and facilitator to:

- Develop the agendas for each meeting.
- Assist in building consensus among stakeholders.
- In cooperation with the Project Manager, brief the SCWA Board on the progress of the Strategic Plan.

Project Manager: Roland Sanford and Thomas Pate will serve as the Project Managers. They will interface with the Chair, technical consultant and facilitator to ensure meetings are efficient and work is completed in a timely manner.

SCWA Board: The SCWA Board has final approval of the SCWA Strategic Plan.

Consultant: Kennedy/Jenks (K/J) has a contract with the SCWA to assist in the creation of a 10-year Strategic Plan and perform all related technical analysis. Sachi Itagaki, K/J. will serve as the main point of contact with the Project Managers. The consultant will attend all Stakeholder Group meetings, contribute to the development of the Strategic Plan and strive to balance stakeholder input with sound technical judgement.

Facilitator: In cooperation with the Chair, Project Managers and the Consultant, the facilitator from JM Consultants will design meetings and assist in guiding the process to develop a Strategic Plan for SCWA. The Facilitator will:

- Based on input from the Project Managers, Chair and stakeholders, draft agendas and desired outcomes for each meeting.
- Facilitate stakeholder meetings and ensure compliance with all Ground Rules.
- Assist in the preparation of meeting summaries including points of agreement and disagreement.
- Assist in building consensus among members.

- Advocate for a fair, effective, and credible process but remain impartial with respect to the outcome of the deliberations.

Attendance

Given the volume of information to be considered and the in depth discussion expected to occur, regular attendance by the SPSG member or his/her designated representative is essential. Designees are expected to be fully briefed and able to represent the member during decision making.

Ground Rules

The Stakeholder Group will use the following standing ground rules to establish a productive protocol for meetings and may modify them as appropriate.

The Stakeholder Group agrees to:

- Listen and openly discuss issues with others who hold diverse views.
- View disagreements as problems to be solved rather than battles to be won.
- Refrain from ascribing motives or intentions to other participants.
- Respect the integrity and values of other participants.

During the meetings, the Stakeholder Group agrees to:

- Honor time.
- Use conversational courtesy.
- Keep pagers and mobile phones silent during meetings.
- Appreciate humor but not engage in humor at the expense of others.

Decision Making

The SPSG is a working group tasked to develop a Strategic Plan for approval by the SCWA Board. In the development of the Strategic Plan, the SPSG will strive for consensus (agreement among all participants) in all of its decision-making. **Working toward consensus is a fundamental principle.**

Consensus means that all group members either fully support or can live with the decision or overall Plan and believe that their agencies and organizations can as well. In reaching consensus, it is useful to refer to the Gradients of Agreement. This scale makes it easier for participants to be honest. Using it, members can register less-than-whole-hearted support without fearing that their statement will be interpreted as a veto.

1	2	3	4	5	6
Fully endorse!	Endorsement with minor issues.	Conditional Agreement	Stand Aside / Abstain / Neutral	Disagreement	Reject
I strongly support the proposal.	I generally like it. Proceed with my support.	I can support if some steps are taken now or in the future.	I neither support nor reject the proposal – Proceed.	I don't agree with the proposal in its current form but will not reject it	I cannot support the proposal at all.

				outright	
--	--	--	--	----------	--

When differences of opinion exist after extensive discussion, a straw poll will be taken using the Gradients of Agreement. Unless a member votes to reject (level 6), the proposal will move forward. In the event a member cannot support the proposal and votes to reject, a subcommittee will be convened to further discuss the issue until a resolution can be reached.

Communication

Media: Members are asked to speak only for their organizations or themselves when asked by external parties, including the media, about the SPSG's progress. Members will refer media inquiries to SCWA General Manager Roland Sanford and reserve freedom to express their own opinions to media representatives. Members should be careful to express only their own views and not those of other member of the Stakeholder Group. The temptation to discuss someone else's statement or position should be avoided.

Member Agencies: Members are asked to keep their member agencies informed about the process of the SPSG and to bring their agency's views into the discussion.

Decision Makers: The SCWA General Manager and the SPSG Chair will provide periodic updates to the SCWA Board.

Meeting Summaries: Meeting summaries will be provided following each SPSG meeting.

Public Engagement

All SPSG meetings will be open to the public and the public is welcome to participate in discussions. The facilitator may limit public comment to a designated public comment period if necessary to assure the Stakeholder Group can complete its work in a timely fashion.

Early in the process, the SPSG will oversee development of a public outreach plan which will guide activities related to public engagement and outreach.

Amendments to this Charter

The SPSG may use its decision-making procedure, identified above, to adopt changes to this Charter.



Solano County Water Agency

Summary of Stakeholder Assessment

Strategic Planning

- ▶ A Strategic Plan is more than a list of prioritized projects
- ▶ An opportunity to:
 - ▶ Critically look at the functions of an organization
 - ▶ Create a Vision to guide the organization
 - ▶ Refine the Mission
- ▶ Plan for the future



Interviewees

- ▶ Solano County
- ▶ 7 cities
- ▶ Solano Irrigation District
- ▶ RD2068
- ▶ Maine-Prairie Water District
- ▶ Solano RCD
- ▶ Suisun RCD
- ▶ SCWA Flood Control Advisory Committee
- ▶ SCWA Water Advisory Commission
- ▶ SCWA Staff

2005 Strategic Plan

- ▶ Few current members participated in developing 2005 Strategic Plan
- ▶ Most not aware if Plan used
 - ▶ Many Board members didn't recall if they were updated on the progress
- ▶ General consensus that most projects were done
- ▶ Overall impression: Plan more effective in earlier years

Key Issue: Water Reliability

- ▶ Adequate Water Supply?
- ▶ Concern that future demand will outstrip supply
 - ▶ If cities fully build out and ag continues to expand to permanent crops
- ▶ Uncertainty of SWP deliveries
- ▶ Increasing regulations
- ▶ Evolving state policy regarding reasonable use of water

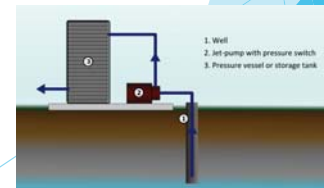
Key Issue: Infrastructure

- ▶ Solano Project has ongoing replacement and betterment needs
- ▶ O&M for all conveyance systems
- ▶ Conveyance capacity limitations for NBA
 - ▶ Total available supply exceeds current conveyance capability
- ▶ 2 cities have contract rights to NBA water but no conveyance system
- ▶ Alternate intake for NBA



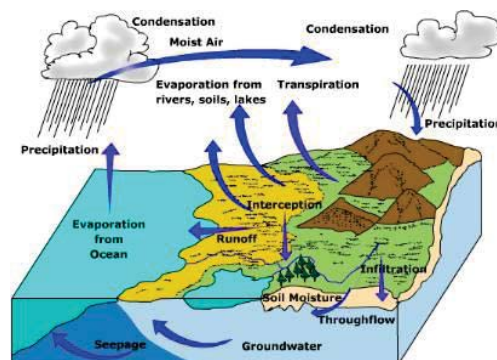
Key Issue: Groundwater

- ▶ Hardening of demand from changing crop patterns
 - ▶ Adequate supply?
- ▶ Should GW be managed for entire County or just those sitting on sub-basins?
- ▶ State has mandated Sustainable GW Plans
 - ▶ Who should be the SGMA lead?
 - ▶ SCWA? County? JPA?
- ▶ Should sub-basin boundaries be redrawn to match County boundaries?
- ▶ Who should monitor and permit wells?



Key Issue: Integration of all Water Resources

- ▶ Surface
- ▶ Groundwater
- ▶ Flood water
- ▶ Drain water
- ▶ Waste water
- ▶ Recycled water



Key Issue: Drought / Climate Change

- ▶ Will likely affect both supply and demand
 - ▶ Surface water
 - ▶ Ground water use and recharge
- ▶ Impact on flooding
- ▶ Increasing regulations
 - ▶ Evolving state policy regarding reasonable use of water
- ▶ Drought Plan
- ▶ Water Conservation



Key Issue: Flood Management

- ▶ SCWA has authority but no specific responsibility to do flood management
 - ▶ No one agency has overall responsibility for flood management in Solano County
- ▶ Mixed reaction whether County is well served
 - ▶ Not all participating agencies with needs are served
- ▶ Previously developed flood control assessment districts vetoed by voters
- ▶ Incremental approach to flood projects may be better tactic



Key Issue: Watershed Management

- ▶ Habitat Conservation
 - ▶ Cache Slough
 - ▶ Putah Creek Accord
 - ▶ Finish HCP
 - ▶ Currently subject to restricted maintenance in riparian corridors
 - ▶ Need to look at benefits of HCP
- ▶ Watershed stewardship
 - ▶ Watershed health protects surface water supply



Key Issue: Funding

- ▶ Grant programs to individual landowners for flood control highly valued
- ▶ Increased funding and technical support for participating agencies
- ▶ SCWA has substantial reserves
- ▶ Reserve Policy may not be adequate to protect reserves
- ▶ Funding should be more transparent



Key Issue: Regulations

- ▶ Regulatory creep
- ▶ Managing regulatory impacts
- ▶ Need for engagement in legislative affairs
- ▶ Need to engagement in all regional forums
 - ▶ Relationship building key



Key Issue: Public Outreach

- ▶ What's the right level?
 - ▶ Cost vs. value
- ▶ Need for public awareness
- ▶ Benefits of public awareness
- ▶ Inclusion of ag, business and major users in SCWA planning?



Additional Issues

- ▶ Additional water storage
- ▶ Additional water sources
- ▶ Balance between urban and ag
- ▶ Water swapping
- ▶ Right to sell excess water at market prices
- ▶ Inequities of services to participating agencies

General Overall Impression

- ▶ As long as there is enough water, participating agencies are willing to share and play nice
- ▶ Underlying discontent about inequities
- ▶ Concern that participating agencies don't receive equal services from SCWA but have equal vote
- ▶ Concern for political overreach

Underlying Issue: What should be the Role of SCWA?

- ▶ Is it a county-wide water agency managing all sources of water or is it a water contractor with ancillary responsibilities
- ▶ Conflicting expectations of SCWA
- ▶ SCWA's footprint is the same as the County but doesn't serve the entire County
- ▶ Supports individual agencies with specific obligations
- ▶ General feeling is that SCWA should be taking more of a leadership role
- ▶ With the need to integrate water resources, should SCWA be expanded to be the key water agency in Solano County?

Strengths of SCWA

- ▶ Impressive, competent staff
- ▶ Solves problems using a team approach
- ▶ Nimble – responds quickly to new issues
- ▶ Repository/generator of data – helps participating agencies make better decisions
- ▶ Has financial resources
- ▶ Diverse Board
- ▶ Helps participating agencies horse trade water to meet everyone's needs



CHALLENGES for SCWA

- ▶ Small staff – limited ability to get things done
- ▶ Inequities in addressing participating agency's issues
- ▶ Focuses too much on supply, not enough on flood control
- ▶ Should take more of a leadership role (ex. Water Conservation)
- ▶ Public awareness of SCWA – and building public trust
- ▶ Some internal operations should have better controls
- ▶ Sometimes politics gets in the way – duty should be to the residents of Solano County

Technical Data

BEFORE Strategic Plan developed

- ▶ Inventory of current supply and demand
 - ▶ Include projections for population growth, demand hardening from ag, climate change, etc.

AFTER Strategic Plan developed

- ▶ Don't need additional technical data to develop the Strategic Plan but do need technical data after to support Strategic Plan priorities



2015 Strategic Plan Expectations

- ▶ Should be developed to guide SCWA
 - ▶ Address County-wide water planning
 - ▶ Should align with IRWM values but be guidance to SCWA
 - ▶ Balance current ops, critical needs and forward thinking
 - ▶ Tied to Mission, Vision and budget
- ▶ 10-year plan with 20 – 25 year planning horizon
- ▶ Include technical, managerial and financial goals and objectives
- ▶ Include all participating agencies interests
- ▶ Include review cycles and an adaptive management component

Phase 1 Accomplishments

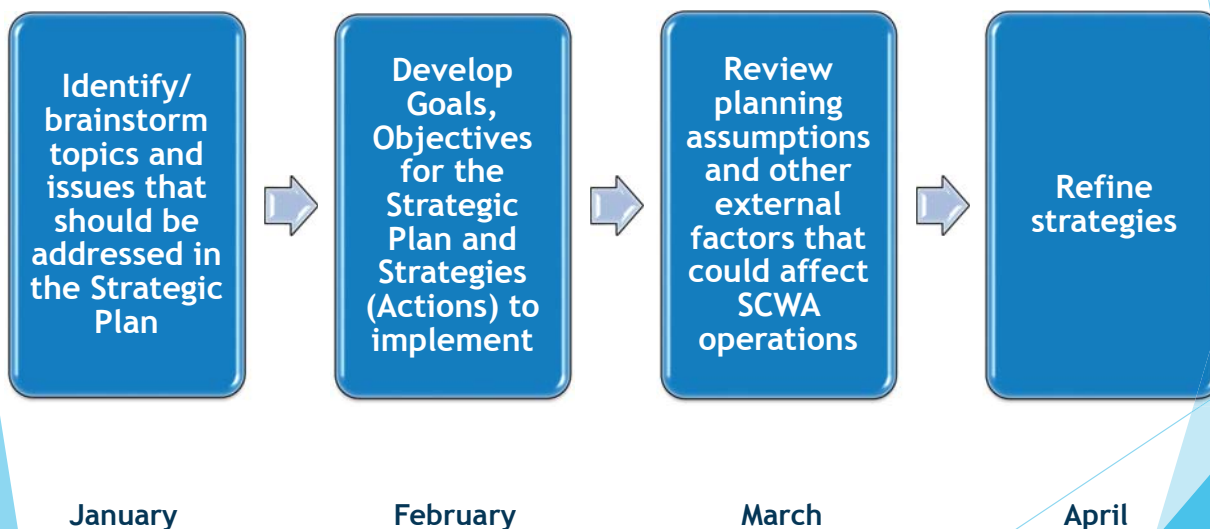
- ▶ Conducted Stakeholder Assessment
- ▶ Created Charter for S.P. Stakeholder Group
- ▶ Proposed Phase 2 Process Design
- ▶ Held 2 stakeholder meetings to date
- ▶ Scheduled meetings in November and December
 - ▶ Primary focus is to hear briefings from all participating agencies regarding current operations, issues and challenges

Proposed Process for Phase 2

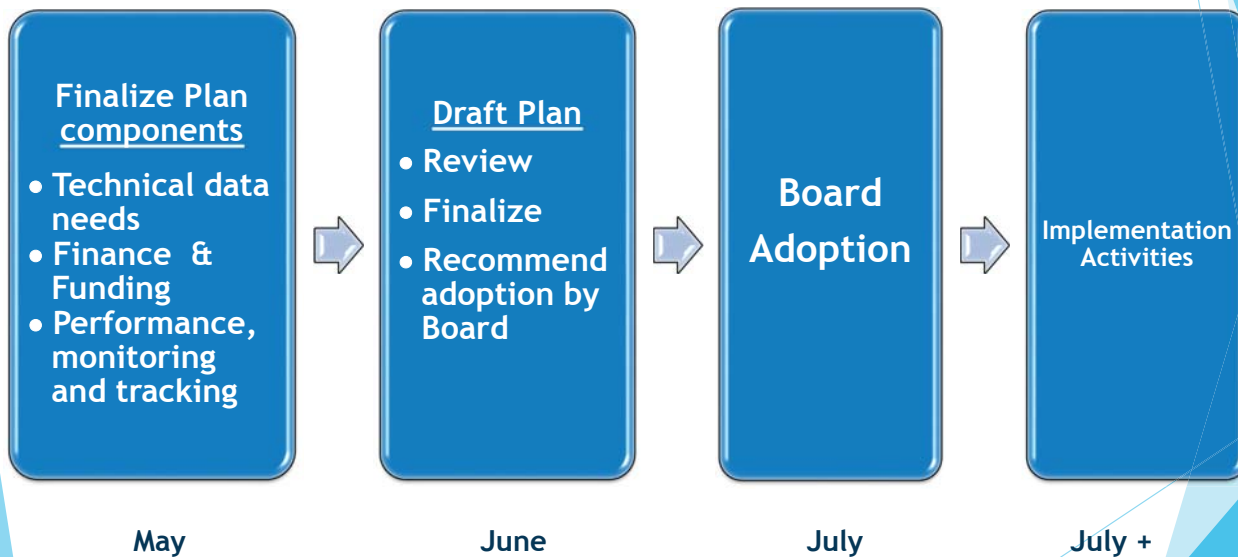
- ▶ Stakeholder Meetings
- ▶ Educational Workshops



Proposed Meeting Schedule - Phase 2



Proposed Meeting Schedule - Phase 2 (cont.)



Recommendations for Board Action

- ▶ Confirm 10-year Strategic Plan with 20 – 25 year planning horizon
- ▶ Approve the Process Design
- ▶ Expand Strategic Planning Stakeholder Group to be inclusive.
 - ▶ Amend Board Action, Advisory Commission recommendation and Stakeholder Group Charter to include representatives from all participation agencies as well as SCWA staff



Questions?

Name of Project: **SCWA 2015 Strategic Planning – Phase 2**

SOLANO COUNTY WATER AGENCY

EXHIBIT A SCOPE OF SERVICES

Period of Performance: October 1, 2015 – December 31, 2016

We propose the following tasks for Phase 2 of the SCWA Strategic Plan development. As noted in the period of performance above, some of the effort is for items in October and November NOT covered in the Phase 1 authorization that have been completed and are captured in this Phase 2 scope of services.

Task 1: Stakeholder Meetings

Stakeholder meetings, small work group meetings and workshops are critical for input and interaction with the stakeholders, and to communicate the strategic planning choices available based on a variety of input. Stakeholder meetings are shorter interactions that allow for discussion of the strategic plan. Small work group meetings are working groups of stakeholders designed to develop specific components of the strategic plan. Workshops provide time for in-depth discussion of a broad range of topics. All stakeholder meetings and workshops include agenda development, preparation of meeting materials, stakeholder communications, meeting facilitation and post meeting activities including meeting summaries and other follow-up activities.

Task 1A – Strategic Plan Stakeholder Group Meetings

The following table provides an overview of the major topics anticipated to be discussed at each stakeholder group meeting:

Meeting	Month	Main Topics
1	Oct 2015	Organizational <ul style="list-style-type: none"> • Summary of Stakeholder Assessment findings • Review of proposed Strategic Plan Process Framework • Discussion of technical needs prior to the development of the Strategic Plan
2	Nov	Educational <ul style="list-style-type: none"> • Overview of SCWA history, responsibilities, organizational structure and funding sources • Summary of Participating Agency Needs – Individual Participating Agency Report

3	Dec	Educational & Mission and Vision <ul style="list-style-type: none"> • Summary of Participating Agency Needs – Individual Participating Agency Reports (cont.) • Agreement on Process Design • Discuss Planning Assumptions – supply and demand • Initial discussion of SCWA Vision and Mission statements
4	Jan 2016	Strategic Issues and Opportunities <ul style="list-style-type: none"> • Using a Mindmap, identify/brainstorm topics and issues that should be addressed in the Plan. Consider all topics potentially affecting SWCA (current, future, local, regional, institutional, policy, regulatory). • Identify possible interrelationships between retail agencies and outside interests • Identify priorities to be addressed by the Strategic Plan • Draft Vision and Mission statements
5	Feb	Goals, Objectives and Strategies Development <ul style="list-style-type: none"> • Develop goals for the Strategic Plan – full group • Develop measurable objectives for each goal – small groups by topic; full group review • Brainstorm Strategies and Potential Actions –small groups by topic areas; full group review <ul style="list-style-type: none"> ○ Develop strategies and or initiatives that would address the strategic issues ○ Describe the intent of the action plan ○ Identify/recommend operational, tactical and policy-based actions that would achieve the strategies/initiatives.
6	Mar	Develop common understanding <ul style="list-style-type: none"> • Supply and demand assumptions • Overview of CA Water Planning • Groundwater Sustainability Management status • Stormwater – resource and management • Sustainable water sources
7	Apr	Refinement of Potential Strategies <ul style="list-style-type: none"> • Review Implementation Needs of Strategies/Potential Actions <ul style="list-style-type: none"> ○ Review recommendations for future activities/investigations with stakeholders ○ Evaluate feasibility of strategic and programmatic activities • Technical Analysis - Identify actions that may require additional information before it is implemented – Examples: Supply/Demand Analysis, Groundwater Sustainability.

		<ul style="list-style-type: none"> • Discuss Finance and Funding <ul style="list-style-type: none"> ○ Describe financing activities that may be required to implement Strategic Plan ○ Identify and summarize potential outside funding opportunities that may be compatible with specific actions
8	May	Finalize Strategic Plan Components <ul style="list-style-type: none"> • Refine Technical Analysis Needs • Refine Finance and Funding • Performance, Monitoring and Tracking • Determine performance monitoring metrics • Determine triggers for adaptive plan management • Identify Strategic Plan Implementation performance tracking tools • Define a strategy for periodic reporting on Strategic Plan implementation • Identify Adaptive Management strategies
9	June	Draft Strategic Plan Review <ul style="list-style-type: none"> • Complete iterative review of draft Strategic Plan with Group • Recommend adoption of Strategic Plan to SCWA Board of Directors
10	July	Strategic Plan Implementation Activities <ul style="list-style-type: none"> • Discuss and address SCWA reserve fund policy guidance • Other technical topics

Assumptions:

- A total of ten (10) stakeholder meetings
- Each meeting scheduled for 4 hours except meeting number 5.
- Meeting number 5 scheduled for 8 hours
- Budgeted level of effort includes:
 - Meeting prep (agenda development, draft meeting materials, etc.)
 - Meeting attendance and facilitation
 - Meeting follow-up (meeting summaries, action items, stakeholder communications, etc.)

Task 1B – Educational Workshops

Three (3) educational workshops are planned during the Strategic Planning process. Topics will be developed in response to stakeholder's requests. Budget for technical assistance for workshops is provided in Task 3.

Assumptions:

- A total of three (3) workshops
- Each workshop scheduled for 4 hours
- Budgeted level of effort includes:

- Meeting prep (agenda development, draft meeting materials, etc.)
- Meeting attendance and facilitation
- Meeting follow-up (meeting summaries, action items, stakeholder communications, etc.)

Task 1C – Small Work Group Meetings

In order to maximize stakeholder efficiency, three (3) working groups will be established to refine the objectives and develop draft strategies. All work products will be reviewed by the larger stakeholder group.

Assumptions:

- A total of three (3) work groups
- Each work group will meet twice for 2 hours each
- Budgeted level of effort includes:
 - Meeting prep (agenda development, draft meeting materials, etc.)
 - Meeting attendance and facilitation
 - Meeting follow-up (meeting summaries, action items, stakeholder communications, etc.)

Task 1D – Board Meetings

The consultant team will attend Board meetings and deliver progress reports at the request of the General Manager.

Assumptions:

- Attend a total of four (4) Board Meetings
- Budgeted level of effort includes:
 - Meeting prep (Board report)
 - Meeting attendance

Task 2: Strategic Plan

The Strategic Plan will be based on stakeholder input and the results of an organizational assessment which was started under Phase 1 and completed under Task 2a of Phase 2. Work under all previous tasks will be summarized in the Strategic Plan document as well as inform other planning processes such as the groundwater sustainability agency formation discussion. The final document (expected to be 25-30 pages) will include the following components:

- Executive Summary
- Action Plan
 - Describes recommended actions to implement the Strategic Plan
- Resource Allocation
 - Prepares labor hours and project costs for up to 10 actions/projects and describes the staff and capital resources necessary to implement the action/project
- Performance Measures

- Describes how implementation performance will be measured and evaluated
 - Monitoring and Tracking systems
- Adaptive Management Strategy
 - Describes how changing future conditions will be incorporated into the Strategic Plan
- Results of Technical Analyses

Task 2A – Stakeholder Assessment

The stakeholder assessment will be expanded to include 21 additional interviews in Phase 2. 11 interviews were conducted in Phase 1

Assumptions:

- Completion of the interviews
- Analysis of the data
- Summary of findings in electronic format for presentation at stakeholder and board meetings

Task 2B – Strategic Plan

This task includes administrative draft, draft, draft final and final versions of the master Strategic Plan

Assumptions:

- Up to three draft documents will be produced for review by the SCWA and/or stakeholders
- One final approved document with up to 20 hard copies and a .pdf file.
- Budgeted level of effort includes:
 - Creation of initial draft document
 - Up to three edits to the document
 - Finalize master Strategic Plan

Task 3: Technical Support

Task 3A- Urban Water Management Plan (UWMP) Support

Following the 25 August 2015 kick-off meeting with the urban water suppliers, it was agreed that the consultant team would provide technical support in the areas of regional population projections and reliability assumptions. The approach to completing this task includes:

1. Preparation of a Geographic Information System (GIS)-based population comparison for the SCWA service area using 2010 census, Association of Bay Area Governments (ABAG), California Department of Finance (CDOF), and local planning projections (County General Plan and General Plans for Benicia, Dixon, Fairfield, and Vacaville) using water service area overlays provided by each agency. This task includes collection of the population data from up to 8 different sources (all of which are assumed to be in GIS format), manipulating

GIS files to a common coordinate system, conducting the analysis and presenting the results in tabular, map, and graph form. The draft results will be presented to agencies in a technical memorandum (TM) for discussion at a meeting with urban water suppliers to agree on a common/high-level projection. Final results will be provided in a final TM for use in the UWMP plan updates. Data for Rio Vista, Suisun City and Vallejo can be added as an optional service.

2. Review of 2015 DWR State Water Project Capability Report for applicable delivery reliability assumptions, especially for North of Delta/SCWA Contractors. Review and summarize Solano Project Reliability documentation provided to Thomas Pate by agency representatives. Preparation of a draft and final TM for discussion at meeting of urban water suppliers (same meeting as item 1.)

Assumptions:

- Two draft TMs will be produced in electronic form for review by the SCWA and/or urban water suppliers; a single set of comments on draft TM will be provided to consultant team
- Final TM to be in electronic form.
- Budgeted level of effort for meeting includes:
 - Preparation
 - Attendance and presentation
 - Follow-up summary and action items

Task 3B- Support for Educational Workshops

Up to 16 hours per workshop is budgeted to compile, analyze, and produce technical presentation materials for three workshops in Task 1B. Potential topics can include overview and summary of supply and demand projections from each agency's UWMP update, urban and agricultural water use efficiency effectiveness, groundwater overview in the context of Sustainable Groundwater Management Act (SGMA), statewide water planning impacts on SCWA, stormwater recharge and sustainable water.

Task 4: Project Management / Coordination

This task provides for project status reporting of the progress of each task, work planned for the coming month, data needs, key issues and important decision needs, project schedule and action items status. Project status communication with SCWA will be held twice a month via conference call (or in-person at the request of SCWA) to address status report questions or adjust work effort priorities. Decision logs will be developed to capture important decisions throughout the progress of the project. Conference calls with the consultant team will also be held twice a month.

In addition, Kennedy/Jenks will provide quality assurance and quality control (QA/QC) reviews through the course of the project consistent with Kennedy/Jenks' policies as outlined in our Quality Management manual. Each of the project submittals will be reviewed for engineering and policy decisions, correctness of calculations, content clarity, and presentation.

Assumptions: This task includes:

- Bi-monthly Client conference calls – 24 total
- Bi-monthly Consultant Team calls – 24 total
- QA/QC
- Budget Management
- Project Invoicing

Task 5: As-Needed Services

During the course of a strategic plan there may be an opportunity to take off-ramps, or a need to further investigate a topic. This task is intended as a placeholder for potential assessments/analyses that may develop during the course of the Strategic Plan preparation. Potential topics for this task include:

1. Public Outreach Meetings and associated e-mails and media releases.
2. Unit Cost/Conceptual Feasibility screening of Alternative Water Management Actions such as wastewater reuse including advanced purification for indirect potable reuse (IPR) of groundwater or surface water augmentation or Direct Potable Reuse (DPR), stormwater capture and recharge, desalination.
3. Groundwater – supplemental assistance related to SGMA legislation and timeline, potential Groundwater Sustainability Agency (GSA) issues and governance models, relevance of GSA formation to the SCWA strategic plan including consideration of active groundwater banking and/or conjunctive management of all water resources.
4. Capital Reserve Planning/Financial Analysis including evaluation of:
 - a. Major infrastructure projects (Putah South Canal, North Bay Aqueduct (NBA) and others)
 - b. Strategic Plan implementation
 - c. Infrastructure Replacement and Rehabilitation
 - d. Potential Revenue Sources
 - i. Rates
 - ii. Grants
 - iii. Water Transfers/Exchanges
5. Climate Change Analysis including impacts of sea level rise and flooding; water supply/demands and associated portfolio reliability.
6. More detailed market saturation survey of water use efficiency devices.

For budgetary purposes, \$50,000 is included under Task 5 that can be authorized by the SCWA General Manager following preparation of a specific scope and budget.

ACTION OF
SOLANO COUNTY WATER AGENCY

DATE: December 10, 2015


SUBJECT: Status Update: Groundwater Management of Solano Subbasin Pursuant to Sustainable Groundwater Management Act

RECOMMENDATION: Hear General Manager’s report and provide direction to staff.

FINANCIAL IMPACT: None at this time.

BACKGROUND:

The Solano Groundwater Subbasin, as defined in Department of Water Resources (DWR) Bulletin 118, encompasses 664 square miles, most of which is located in northern Solano County, with lesser portions extending into Sacramento and Yolo counties. Pursuant to the recently enacted Sustainable Groundwater Management Act (SGMA), a Groundwater Management Agency (GSA) must be established by June 30, 2017 and a Groundwater Sustainability Plan (GSP) adopted for the Solano Subbasin by January 31, 2022 (see attached Groundwater Legislative Timeline for overview of SGMA deadlines).

Recommended: 
Roland Sanford, General Manager

☒ Continued on next page

☐ Approved as recommended ☐ Other (see below)

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on December 10, 2015 by the following vote.

Ayes:

Noes:

Abstain:

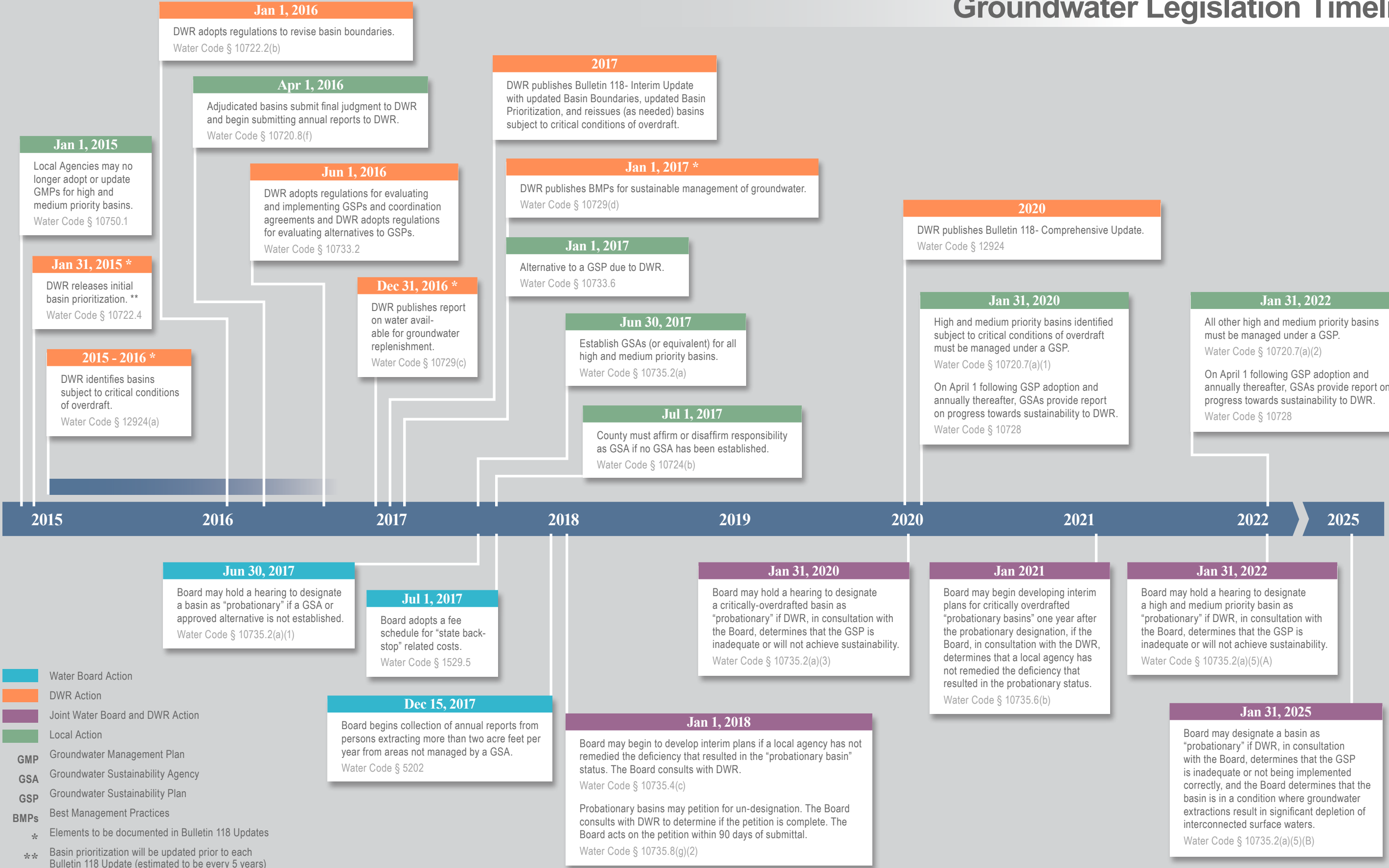
Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

On October 15, 2015 the Board authorized Water Agency staff, under the direction of the SCWA Board of Directors Water Policy Committee (Committee), to provide administrative services in support of GSA formation, and to retain, through DWR, AG Innovations for meeting facilitation services. Work has begun. Initial work tasks include the identification of stakeholders, a stakeholder assessment survey (see attached survey results compiled by AG Innovations) to guide development of subsequent public outreach program(s), the drafting of a Memorandum of Understanding/Guiding Principles to foster cooperation and coordination among stakeholders (see attached draft MOU), and the analysis of potential subbasin boundary adjustments, the latter of which is on the “critical path” (a decision must be reached by no later than March 2016, but preferably by early February 2016) and at least partially defines the subbasin stakeholders and potential parties to the Memorandum of Understanding/Guiding Principles.

Progress toward establishment of a GSA for the Solano Subbasin is currently in step with SGMA mandates. However, there is much to do. In the short term – ideally by early February 2016 – a final decision regarding whether or not to seek subbasin boundary adjustments needs to be made. Additional information regarding the work tasks initiated to date, the overall project timeline, and short term challenges will be presented at the Board meeting.

Groundwater Legislation Timeline





Stakeholder Assessment Summary Report:

Recommendations on a Stakeholder Engagement Process for the GSA Formation Requirement of the Sustainable Groundwater Management Act in the Solano Subbasin

Developed by Lucas Patzek & Brooking Gatewood, Ag Innovations. November 30, 2015

Overview

The State of California passed the Sustainable Groundwater Management Act (SGMA) in 2014, and designated one groundwater basin in Solano County as medium priority: the Solano Subbasin of the larger Sacramento Valley Groundwater Basin. The SGMA requires that medium and high priority basins form a groundwater sustainability agency (GSA) by June 30, 2017, and develop a groundwater sustainability plan (GSP) by January 31, 2022 to ensure that they are operated within their sustainable yield, without causing undesirable results. The Solano County Water Agency (SCWA) has contracted with Ag Innovations to develop an educational process and convene a stakeholder engagement process to allow for the effective participation of the agricultural and landowner communities in the development of a GSA in the Solano Subbasin. Ag Innovations conducted interviews with nine thought-leaders from the agricultural and water management communities as a first step in designing an appropriate stakeholder engagement process. Interview results have been synthesized in this report, organized by eight different core questions.

Key Acronyms:

GSA = Groundwater Sustainability Agency

SGMA = Sustainable Groundwater Management Act

SCWA = Solano County Water Agency

SID = Solano Irrigation District

Interview Methods

Phone interviews with nine opinion leaders having direct experience with local agriculture or water resources management in the Solano County subbasin were conducted by Lucas Patzek and Brooking Gatewood of Ag Innovations between October 22, 2015 and November 9, 2015. Each interview was 1-1.5

hours in length, and interview guides were developed by Ag Innovations staff with guidance from SCWA staff.

Interview Questions

I. Key Stakeholders

- Who are the stakeholders that should be engaged in the SGMA implementation conversations?
- Who can help with ag outreach?
- Who are the key bridge-builders and influencers in the community?

II. Best Practices for Stakeholder Engagement

- What kinds of stakeholder engagement processes have worked in your community in the past?
- What are some critical events in the community over the next year that we need to be aware of, and that we might piggyback on to improve our stakeholder reach?
- What types of SGMA information would be good to share with public stakeholders?
- When and where would work best for in person meetings for your constituency?

III. Perceived Challenges Relating to Water Management and Governance

- Where are the key points of conflict within the community? Who do we need to go and “tend fences” with?
- What groundwater trends do you see on the ground? Are there areas of greater concern than others?

Summary of Results

Section 1: Key Stakeholders

Most interviewees agreed that the local agencies overlying the subbasin with water supply, water management, or land use responsibilities should be involved in the GSA formation conversations, including Solano County, the Solano County Water Agency, key cities (Dixon, Rio Vista, Vacaville, and possibly Davis), and water and irrigation districts (Solano Irrigation District, Reclamation District 2068, Rural North Vacaville Water District, Maine Prairie Water District, and the Solano County Water District). A number of interviewees also suggested that Yolo and Sacramento Counties remain involved. SGMA implementation conversations should also involve well-operators, including farmers and ranchers, food processors, the National Cemetery, Travis Air Force Base, and UC Davis.

The most comprehensive list for reaching land-owners by mail will come from the County’s Tax Assessor. A more distributed outreach approach will work best for virtual communications. Several local organizations maintain email lists that will be important for outreach, including: the list of enrollees in the Irrigated Lands Program managed by the Dixon RCD, the participants in the Pesticide Permit Program managed by the Ag Commissioner’s office, as well as the rate-payers with the Solano Irrigation District, Reclamation District 2068, and Maine Prairie Water District. It will be important to maintain continuous communication with a number of key farming organizations, including: the three local Farm Bureau offices in Solano, Yolo, and Sacramento Counties, the Solano County Ag Advisory Committee, Solano Land Trust,

the Napa Solano Cattlemen's Association, smaller food and farming groups (e.g., Solano Grown, farmer's markets). The facilitation team can piggyback on regular meetings of groups like the Ag Advisory Committee, the Farm Bureaus, the Cattlemen's Association, pesticide permitting workshops, etc. to disseminate information and solicit stakeholder input.

Interviewees shared names of key bridge-builders and influencers working in agencies in the local community, as well as vocal and trusted farmer opinion leaders. All opinion leaders mentioned in interviews have been added to our stakeholder list and will be invited into the stakeholder engagement work group process. Helping farmers understand why SGMA engagement matters to them is a key role all of these opinion leaders can play.

Section 2: Best Practices for Stakeholder Engagement

This kind of stakeholder engagement process is not easy, and there is no magic process that is guaranteed to be successful. Interviewees insisted that early, direct outreach will be essential to get agricultural and landowner stakeholders to participate in the GSA formation process. It is possible to leverage customer and member focused mailings sent by local agencies and organizations to get the message out about the SGMA. Advertisements in local newspapers ads might also be effective. This outreach can provide pertinent information about the law and local groundwater conditions, advertise informational workshops and online resources, and invite the public to provide input into the SGMA implementation process.

Interviewees offered a range of suggestions on what topics and tensions need to be addressed for effective SGMA stakeholder engagement. Many farmers and landowners don't even know that SGMA is happening or don't know anything about the law, so basic education and early engagement are greatly needed. Information needs to be disseminated through the internet and in-person workshops on the requirements and timelines of SGMA implementation, local groundwater conditions, and how public stakeholders can participate. Mistrust, fear, and blame are likely to arise concerning water rights, regulatory requirements, and a mismatch between personal experiences with well conditions and agency information about groundwater conditions. The facilitation team will want to both share the science of local hydrologic realities and groundwater recharge trends, and collect groundwater users' stories as a way to help inform our knowledge of groundwater conditions in the basin.

Interviewees offered suggestions on meeting locations. Rio Vista and Dixon were suggested as good locations to attract agricultural stakeholders. Vacaville or Fairfield were also suggested as good locations to attract stakeholders from the hill areas. Some thought that Rio Vista based stakeholders would be comfortable traveling to Fairfield for a meeting, but that the Rio Vista area would be accessible to stakeholders from the Sacramento and Yolo County parts of the subbasin.

Section 3: Perceived Challenges Relating to Governance and Water Management

Governance: Farmers and rural landowners have limited trust in government, particularly with those levels of government which are most distant from the rate-payer (e.g., the State). Trust in organizations such as SCWA, SID, and the County is moderate, while the smaller water and irrigation districts have a relatively good relationship with their rate-payers. To build widespread support or consensus on the GSA governance structure the local public agencies need to be inclusive and responsive

to farmer and landowner needs, and not come across as “government-centric” in the process. In order to improve the inclusiveness and transparency of the process, local agencies should hold meetings at times when farmers and landowners can participate, send meeting invitations and materials early, share meeting notes publicly, and be more transparent about critical behind-the-scenes conversations, such as the one concerning the possibility of modifying the existing subbasin boundaries. Many stakeholders find the basin boundary modification conversation a distraction from the larger goal of addressing the GSA formation requirement of the SGMA. We also heard that although trust between individual local agencies is relatively high, inter-agency coordination likely requires additional facilitation support for the GSA formation process to go smoothly and support clearer communication and ongoing good-will among agencies.

Water Management: *Some of the information acquired in this section will be more applicable for the Groundwater Sustainability Plan process after the GSA formation process is complete, but results are included here for reference.*

Groundwater conditions vary widely across the subbasin due to local geologic and hydrologic conditions and types of land management. For instance, the RD 2068 service area has a surplus of groundwater due to decades of irrigation with imported surface water coupled with its location in the Delta, while the Putah Creek area has observed reduced groundwater availability. While groundwater level information is relatively accurate for well-monitored areas of the subbasin (i.e., water and irrigation district service areas), current information is likely not indicative of conditions in some agricultural regions outside of these areas. Some wells have run short of water, and there has been some subsidence in the subbasin.

The recent, large-scale trend in converting farmland from annual crops to perennial crops (e.g., nut trees, wine-grapes) has begun to impact groundwater conditions. Some of these orchards and vineyards are being installed in areas that have never been irrigated before, many of them drill deep wells, and many of the owners are non-local investment groups. Because surface water deliveries in Solano County have remained consistent throughout the drought, it is the Yolo County side of the subbasin that likely has experienced the largest trend in ag well-drilling. Observations have been made that the precise irrigation regimes employed in these perennial farming systems may not be allowing for effective groundwater recharge. In general, groundwater quality is relatively high, although a few areas have had a challenge with salts or pesticide contaminants.

Interviewees suggested that groundwater recharge should be a part of sustainable groundwater management in the subbasin, but decisions to allow on-farm floodwater capture and groundwater recharge should be influenced by the winter pesticide regimes employed by individual farms. The Ag Commissioner’s office can be of help in this. While the Irrigated Lands Program is viewed quite favorably by the local agricultural community, there is some mistrust of SCWA stemming from a past lawsuit. A transparent and collaborative SGMA stakeholder engagement process offers an opportunity to build trust with the land-owner community in the county.

DRAFT

(121/04/2015)

MEMORANDUM OF UNDERSTANDING SETTING FORTH CERTAIN ITEMS OF AGREEMENT PERTAINING TO CREATION OF A GROUNDWATER WATER SUSTAINABILITY AGENCY FOR THE SOLANO GROUNDWATER SUB-BASIN

1. Parties

The parties (Parties) to this *Memorandum of Understanding Setting Forth Certain Items of Agreement Pertaining to Creation of a Groundwater Water Sustainability Agency for the Solano Groundwater Sub-basin* (MOU) are follows: _____

2. Recitals

This MOU is entered into with regard to the following facts and circumstances:

- 2.1 The Solano Groundwater Sub-basin (Solano Sub-basin); as defined by the Department of Water Resources' (DWR) Bulletin 118, 2003 Update, encompasses approximately 664 square miles and is largely located within Solano County.
- 2.2 The Parties share common groundwater resources within the Solano Sub-basin and have managed those resources in the best interests of their respective constituents in compliance with applicable state laws.
- 2.3 With its passage in the California Legislature and signing into law by Governor Brown, the Sustainable Groundwater Management Act of 2014 (SGMA) will change many conditions and requirements under which all groundwater resources are currently managed within the Solano Sub-basin.
- 2.4 A foundational tenet of the SGMA is to maintain existing local control of groundwater management, provided groundwater is managed in a sustainable manner, as outlined in the SGMA ([see Appendix A for SGMA Tenets](#)).
- 2.5 The SGMA requires certain deadlines be met by local agencies within the Solano Sub-basin in order to avoid intervention of local groundwater management by the State Water Resources Control Board (State Water Board)

- 2.6 Relevant to the Parties, the first SGMA deadline for local agencies requires the formation of at least one Groundwater Sustainability Agency (GSA) by June 30, 2017 in order to avoid the Solano Sub-basin being placed on probationary status (California Water Code section 10735.2). DWR is to be informed of the formation of GSAs and to assess the adequacy of coordination agreements required by SGMA. Probationary status could lead to the State Water Board developing an enforceable interim plan to manage local groundwater resources.
- 2.7 The second deadline for local agencies requires a Groundwater Sustainability Plan (GSP) to be developed to achieve groundwater sustainability within the Solano Sub-basin and submitted to DWR by January 31, 2022. The entire Solano Sub-basin must be covered by at least one GSP. If more than one GSP is established, a coordination agreement must be in place to ensure the coordinated implementation of the GSPs for the Solano Sub-basin to achieve sustainability.

3. **Agreement**

The Parties agree as follows:

- 3.0 **Collaboration:** The Parties agree to work collaboratively towards SGMA compliance within the Solano Sub-basin and to build upon existing frameworks, cooperation, and successful water management efforts in Solano County.
- 3.1 **Groundwater governance:** While it is unknown at this time what governance structure will take form for the Solano Sub-basin, the Parties agree to work individually and collectively to seek formation of one or more GSAs to provide SGMA-compliant groundwater management governance within the Solano Sub-basin prior to June 30, 2017. The ultimate governance structure within the Solano Sub-basin is not the subject of this MOU. As such, this MOU does not form a GSA or multiple GSAs, but rather begins a consensus-seeking discussion process toward SGMA compliance.
- 3.2 **Coordination:** The SGMA requires that the entire Solano Sub-basin be covered by one or more GSP(s). If more than one GSP is established, SGMA further requires that a coordination agreement be in place and deemed adequate by DWR. To this end, the Parties understand that coordination and collaboration on

various levels, many of which may not be clear at this time, will be essential to complying with the SGMA requirements, regardless of which groundwater governance structure ultimately develops within the Solano Sub-basin.

- 3.3 **Stakeholder engagement:** The parties recognize that meaningful stakeholder engagement is essential to the GSA formation process. The parties will work collaboratively with community groups, individuals, and stakeholders to develop a proposed governance structure to manage groundwater in the sub-basin and comply with SGMA. The Parties will seek to institutionalize stakeholder engagement in the governance structure and will ensure regular, productive communication between the Parties, stakeholders, and stakeholder representatives.
- 3.4 **Coordinated and collaborative data management:** The Parties acknowledge that transparency and data sharing are fundamental components of effective resource management collaboration. The Parties will identify opportunities to enhance data management and sharing across jurisdictional and organizational boundaries. With appropriate exceptions for confidential data, the Parties will make data accessible and shareable in order to enhance collaboration among different organizations and stakeholders, increase the effectiveness of management decisions, and reduce disputes.
- 3.5 **Administrative support:** The Solano County Water Agency (SCWA) has agreed to provide administrative services and serve as a planning forum in support of this MOU.
- 3.6 **No implied financial commitment:** This MOU does not evoke or imply any financial commitment of the Parties. However, the Parties acknowledge that during the term of this MOU situations may arise when it is collectively advantageous to secure vendor provided supplies or services that require cost sharing among the Parties. Any such agreement to share costs shall be made separate from this MOU.

3.7 **Term:** The Parties have entered into this MOU voluntarily. This MOU may not be modified except by mutual consent of authorized officials from the Parties. This MOU shall become effective upon signature by the authorized officials from the Parties and will remain in effect until modified or terminated by mutual consent of the Parties or when one or more GSAs in the sub-basin are formed.

3.8 **Good faith efforts:** Each Party shall use its best efforts and work wholeheartedly and in good faith for the expeditious completion of the objectives of this MOU and the satisfactory performance of the terms and provisions contained herein.

Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed as original, but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed, each signatory hereto represents that they have been appropriately authorized to enter into this MOU on behalf of the Party for whom they sign.

APPENDIX A-SGMA Tenets

(a) The Legislature finds and declares as follows:

- 1) The people of the state have a primary interest in the protection, management, and reasonable beneficial use of the water resources of the state, both surface and underground, and that the integrated management of the state's water resources is essential to meeting its water management goals.
- 2) Groundwater provides a significant portion of California's water supply. Groundwater accounts for more than one-third of the water used by Californians in an average year and more than one-half of the water used by Californians in a drought year when other sources are unavailable.
- 3) Excessive groundwater extraction can cause overdraft, failed wells, deteriorated water quality, environmental damage, and irreversible land subsidence that damages infrastructure and diminishes the capacity of aquifers to store water for the future.
- 4) When properly managed, groundwater resources will help protect communities, farms, and the environment against prolonged dry periods and climate change, preserving water supplies for existing and potential beneficial use.
- 5) Failure to manage groundwater to prevent long-term overdraft infringes on groundwater rights.
- 6) Groundwater resources are most effectively managed as the local or regional level.
- 7) Groundwater management will not be effective unless local actions to sustainably manage groundwater basins and subbasins are taken.
- 8) Local and regional agencies need to have the necessary support and authority to manage groundwater sustainably.
- 9) In those circumstances where a local groundwater management agency is not managing its groundwater sustainably, the state needs to protect the resources until it is determined that a local groundwater management agency can sustainably manage the groundwater basin or subbasin.
- 10) Information on the amount of groundwater extraction, natural and artificial recharge, and groundwater evaluations are critical for effective management of groundwater.
- 11) Sustainable groundwater management in California depends upon creating more opportunities for robust conjunctive management of surface water and groundwater resource. Climate change will intensify the need to recalibrate and reconcile surface water and groundwater management strategies.
- 12) Sustainability groundwater management is part of implementation of the California Water Action Plan.

(b) It is, therefore, the intent of the Legislature to do all of the following:

- 1) To provide local and regional agencies the authority to sustainable manage groundwater.
- 2) To provide that if no lcla groundwater agency or agencies provide sustainable groundwater management for a groundwater basin or subbasin, the state had the authority to develop and implement and interim plan until the time the local groundwater sustainability agency or agencies can assume management of the basin or subbasin.
- 3) To require the development and reporting of those data necessary to support sustainable groundwater management, including those data that help describe the basin geology, the short-and long-term trends of the basin's water balance, and other measures of sustainability and those data necessary to resolve dispute regarding sustainable yield, beneficial uses, and water rights.
- 4) To respect overlying and other proprietary rights to groundwater, consistent with Section 1200 of the Water Code.
- 5) To recognize and preserve the authority of cities and counties to manage groundwater pursuant to their police powers.

ACTION OF
SOLANO COUNTY WATER AGENCY

DATE: December 10, 2015

SUBJECT: Agreement with AG Innovations for Supplemental Facilitation Services

RECOMMENDATION:

Authorize General Manager to execute \$81,140 agreement with AG Innovations for supplemental facilitation services in support of GSA (Groundwater Sustainability Agency) formation for the Solano Subbasin.


FINANCIAL IMPACT:

Sufficient funding is available within the FY 2015-2016 Administration budget.

BACKGROUND:

The Department of Water Resources (DWR), through the firm of AG Innovations, is providing limited pro bono facilitation services to the Solano interests, in support of GSA formation for the Solano Subbasin and ultimately, for compliance with the Sustainable Groundwater Management Act (SGMA). The Water Agency serves as the point of contact between DWR and the Solano interests.

The scope of services AG Innovations is currently providing is constrained by the terms of their agreement with DWR and do not necessarily reflect the entire breath of activities the Solano interests believe are needed to achieve GSA formation for the Solano Subbasin, For example, pursuant to the agreement between AG Innovations and DWR, AG Innovations cannot facilitate meetings between “GSA eligible” entities. Similarly, the current scope of work includes some but not all of the facilitated stakeholder meetings that are most likely needed to achieve GSA formation.

Recommended: 
Roland Sanford, General Manager

☒ Continued on next page

☐ Approved as recommended ☐ Other (see below)

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on December 10, 2015 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

The SCWA Water Policy Committee is recommending the Water Agency, on behalf of the Solano interests, contract directly with AG Innovations for the facilitation services that are needed to achieve GSA formation but not already provided through the agreement between AG Innovations and DWR. Several entities (Solano Irrigation District and the cities of Dixon, Rio Vista and Vallejo) have expressed a willingness to share the costs of the proposed supplemental facilitation services. However, as of this writing there no formal cost sharing commitments have been made. Because some of the supplemental facilitation services are needed sooner rather than later, and given the time required to secure formal cost sharing commitments, the SCWA Water Policy Committee recommends the Water Agency execute the supplemental facilitation services contract with AG Innovations, with the expectation that some level of cost sharing will be formalized in the coming months.

Name of Project: **Facilitation Services to Support SGMA Implementation**

SOLANO COUNTY WATER AGENCY

AGREEMENT FOR PROFESSIONAL SERVICES

(Professional Services/Professional Liability/General Liability & Auto/no Additional Insured)

THIS AGREEMENT, **effective December 10, 2015**, is between SOLANO COUNTY WATER AGENCY, a public agency existing under and by virtue of Chapter 573 of the 1989 statutes of the State of California, hereinafter referred to as "Agency," and **Ag Innovations**, hereinafter referred to as "Contractor."

The Agency requires services for **Facilitation Services to Support SGMA Implementation**; and the Contractor is willing to perform these services pursuant to the terms and conditions set out in this Agreement.

IT IS MUTUALLY AGREED, as follows:

1. SCOPE OF SERVICES

The Agency hereby engages the Contractor, and the Contractor agrees to perform the services for **Facilitation Services to Support SGMA Implementation**, as described in Exhibit A, in accordance with the terms of this Agreement and any applicable laws, codes, ordinances, rules or regulations. In case of conflict between any part of this Agreement, this Agreement shall control over any Exhibit.

2. COMPENSATION

Compensation for services shall be as follows: Hourly rate of personnel plus any allowed reimbursable expenses based on unit costs as indicated on any allowed reimbursable expense in Exhibit B **not to exceed \$81,140** for all work contemplated by this Agreement.

3. METHOD OF PAYMENT

Upon submission of an invoice by the Contractor, and upon approval of the Agency's representative, the Agency shall pay the Contractor monthly in arrears for fees and allowed expenses incurred the prior month, however in no event shall the cumulative total paid pursuant to this agreement exceed the maximum amount provided for in paragraph 2 of this Agreement. Every invoice shall specify hours worked for each task identified in Exhibit A undertaken.

Each invoice shall be accompanied by a spreadsheet showing, by month, costs incurred to date for the project broken down by the Tasks identified in Exhibit A. The spreadsheet shall show, for each task, budget amounts, total expended and remaining amounts. The spreadsheet shall show a subtotal for each fiscal year covered by the contract. Any amendments to the

contract shall be listed and incorporated into spreadsheet. An example of a typical spreadsheet shall be provided by the Agency.

4. TIME OF PERFORMANCE

This Agreement shall become effective as of the date it is executed and said services will take place between this date and **August 1, 2017**, as directed by the Agency.

5. MODIFICATION AND TERMINATION

This Agreement may be modified or amended only by written instrument signed by the parties hereto, and the Contractor's compensation and time of performance of this Agreement shall be adjusted if they are materially affected by such modification or amendment.

(Note: this paragraph is optional) Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted unless such change, addition or deletion be approved in advance, in writing, by the Agency's General Manager.

This Agreement may be terminated by the Agency at any time, without cause, upon written notification to the Contractor. The Contractor may terminate this Agreement upon 30 days written notice to Agency.

Following termination by the Agency or the Contractor, the Contractor shall be reimbursed for all expenditures made in good faith in accordance with the terms of this Agreement that are unpaid at the time of termination.

6. PERMITS *(Note: include only if permits are required)*

Permits required by governmental authorities will be obtained at the Contractor's expense, and the Contractor will comply with local, state and federal regulations and statutes including Cal/OSHA requirements.

7. INDEMNIFY AND HOLD HARMLESS

When the law establishes a professional standard of care for the Contractor's services, to the fullest extent permitted by law, Contractor will defend, indemnify and hold harmless the Agency, its directors, officers, employees, and authorized volunteers from all claims and demands of all persons that arise out of, pertain to, or relate to the Contractor's negligence, recklessness, or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. The Contractor shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of Contractor's performance or non-performance of the work hereunder, and

shall not tender such claims to Agency nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.

Other than in the performance of professional services, to the fullest extent permitted by law, Contractor will defend, indemnify and hold harmless the Agency, its directors, officers, employees and authorized volunteers from all claims and demands of all persons arising out of the performance of the work or furnishing of materials; including but not limited to, claims by the Contractor or Contractor's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of the Agency, its directors, officers, employees, or authorized volunteers.

8. INSURANCE

By his/her signature hereunder, Contractor certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with such provisions before commencing the performance of the professional services under this agreement. Contractor and sub-contractors will keep workers' compensation insurance for their employees in effect during all work covered by this agreement.

Contractor will file with the Agency, before beginning professional services, a certificate of insurance satisfactory to the Agency evidencing professional liability coverage of not less than \$1,000,000 per claim and annual aggregate, requiring 30 days notice of cancellation (10 days for non-payment of premium) to the Agency. Any insurance, self-insurance or other coverage maintained by the Agency, its directors, officers, employees, or authorized volunteers shall not contribute to it. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-:VII, or equivalent, or as otherwise approved by the Agency. The retroactive date (if any) is to be no later than the effective date of this agreement. In the event that the Contractor employs other contractors (sub-contractors) as part of the work covered by this agreement, it shall be the Contractor's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements specified above.

Contractor will file with the Agency, before beginning professional services, certificates of insurance satisfactory to the Agency evidencing general liability coverage of not less than \$1,000,000 per occurrence (\$2,000,000 general and products-completed operations aggregate (if used)) for bodily injury, personal injury and property damage; auto liability of at least \$1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable); requiring 30 days (10 days for non-payment of premium) notice of cancellation to the Agency. Any insurance, self-insurance or other coverage maintained by the Agency, its directors, officers, employees, or authorized volunteers shall not contribute to it. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A- :VII, or equivalent, or as otherwise approved by the Agency. In the event that the Contractor employs other contractors (sub-contractors) as part of the work covered by this agreement, it shall be the Contractor's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements specified above.

If any of the required coverages expire during the term of this agreement, the Contractor shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the Agency at least ten (10) days prior to the expiration date.

9. COMPLIANCE WITH LAW (*Note: This section is optional*)

The Contractor shall be subject to and comply with all federal, state and local laws and regulations applicable with respect to its performance under this Agreement, including but not limited to, licensing, employment and purchasing practices; and wages, hours and conditions of employment.

10. RECORD RETENTION (*Note: This section is optional*)

Except for materials and records, delivered to the Agency, the Contractor shall retain all materials and records prepared or obtained in the performance of this Agreement, including financial records, for a period of at least three years after the Contractor's receipt of the final payment under this Agreement. Upon request by the Agency, the Contractor shall make such materials and records available to the Agency at no additional charge and without restriction or limitation to State and federal governments at no additional charge.

11. OWNERSHIP OF DOCUMENTS (*Note: This section is optional*)

All materials and records of a finished nature, such as final plans, specifications, reports and maps, prepared or obtained in the performance of this Agreement, shall be delivered to and become the property of the Agency. All materials of a preliminary nature, such as survey notes, sketches, preliminary plans, computations and other data, prepared or obtained in the performance of this Agreement, shall be made available, upon request, to the Agency at no additional charge and without restriction or limitation on their use.

12. SUBCONTRACT AND ASSIGNMENT

This Agreement binds the heirs, successors, assigns and representatives of the Contractor. The Contractor shall not enter into subcontracts for any work contemplated under this Agreement and shall not assign this Agreement or monies due or to become due, without the prior written consent of the General Manager of the Agency or his designee, subject to any required state or federal approval. (*Note: list any subcontractors here*)

13. NONRENEWAL (*Note: This section is optional*)

The Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by the Contractor under this Agreement will be purchased by the Agency under a new agreement following expiration or termination of this Agreement, and waives all rights or claims to notice or hearing respecting any failure to continue

purchase of all or any such services from the Contractor.

14. NOTICE

Any notice provided for herein are necessary to the performance of this Agreement and shall be given in writing by personal delivery or by prepaid first-class mail addressed as follows:

AGENCY

Roland Sanford, General Manager
Solano County Water Agency
810 Vaca Valley Parkway, Suite 203
Vacaville, CA 95688

CONTRACTOR

Joseph McIntyre, President
Ag Innovations
101 Morris St., Ste 212
Sebastopol, CA 95472

The parties have executed this Agreement the day and year first above written. If the Contractor is a corporation, documentation must be provided that the person signing below for the Contractor has the authority to do so.

Solano County Water Agency
a Public Agency

By: _____
Roland Sanford,
General Manager

By: _____
Joseph McIntyre,
President

EXHIBIT A

SCOPE OF SERVICES

EXHIBIT B

RATE OF COMPENSATION

Facilitation services to support SGMA implementation

Prepared for the Solano County Water Agency on November 4, 2015

Project contact:

Lucas Patzek, Ph.D., Ag Innovations

lucas@aginnovations.org, (707) 823-6111 x230

SGMA facilitation services overview

The Sustainable Groundwater Management Act (SGMA) has established a new structure for sustainably managing California's critical groundwater resources at a local level by local public agencies. Those agencies having water supply, water management, or land use responsibilities within the Solano Subbasin are eligible to be a Groundwater Sustainability Agency (GSA). The SGMA requires the formation of one or more locally-controlled GSAs by June 30, 2017. Per the SGMA, a GSA shall develop and implement a groundwater sustainability plan (GSP) by January 31, 2022 to ensure that the Subbasin is operated within its sustainable yield, without causing undesirable results.

The formation of one or more GSAs in the Solano Subbasin that have widespread support of the eligible agencies, stakeholders, and general public requires two parallel processes:

1. **Inter-agency coordination:** The convening of GSA-eligible agencies to identify and implement an appropriate long-term governance approach for the GSA;
2. **Public stakeholder process:** The engagement of agricultural and landowner stakeholders, as well as the general public, to ensure that stakeholder concerns and interests are heard and to the extent possible reconciled through formation of the GSA.

The California Department of Water Resources (DWR) has provided the Solano County Water Agency (SCWA) with facilitation services to develop and manage a basic public stakeholder process. However, this award does not cover the facilitation of some additional public outreach activities, and it is not intended to provide facilitation services to support inter-agency coordination activities.

This proposal offers a draft scope of work and budget for professional facilitation services supporting those activities not included in the DWR facilitation services award to ensure local compliance with the GSA formation requirement of the SGMA. Ag Innovations welcomes the opportunity to refine this proposal based on the input of SCWA and its sister agencies.

Inter-agency coordination & additional public outreach

Facilitation services *not included* in the DWR facilitation services award

The purpose of these two proposed tasks is to support the Solano County Water Agency (SCWA) and its sister agencies with facilitation services to assist in the GSA formation requirement of SGMA in the Solano Subbasin. Specifically, Ag Innovations will develop and manage general public outreach activities and an inter-agency coordination process that are not supported by the DWR facilitation services award. The proposed public outreach activities - two public workshops and participation in key farm organization

meetings - will bolster the public stakeholder process currently supported by the DWR facilitation services award to ensure more robust stakeholder engagement in the GSA formation process. The proposed inter-agency coordination activities - a situation assessment followed by a series of organizing and GSA governance meetings - will support the local GSA-eligible agencies in identifying and implementing a GSA governance approach.

The following is a description of the proposed tasks:

1. **Task 1:** Support general public outreach in GSA formation process by:
 - a. **Subtask 1:** Holding 2 public workshops to: (1) educate the general public about SGMA requirements, responsibilities of GSAs, key SGMA implementation decision points, and groundwater conditions in the Solano Subbasin; and to (2) allow for additional public input during the GSA formation process.
 - b. **Subtask 2:** Attending 3 meetings of key farm organizations to: (1) educate the agricultural leaders about SGMA requirements, responsibilities of GSAs, key SGMA implementation decision points, and groundwater conditions in the Solano Subbasin; and to (2) identify issues and interests that the organizations wish the GSA-eligible agencies to address.
2. **Task 2:** Support local GSA-eligible agencies in identifying and implementing a governance approach for GSA by:
 - a. **Subtask 1:** Conducting a situation assessment from 15 interviews of GSA-eligible agencies in the Solano Subbasin to identify agency interests, concerns, and recommendations relating to GSA formation. The primary deliverable would be a report-back summarizing key information, identifying alternatives, and offering recommendations for Subtasks 2 and 3.
 - b. **Subtask 2:** Convene a kick-off meeting with GSA-eligible agencies to discuss the findings and recommendations from the situation assessment, and plan next steps for coordinating an inter-agency GSA formation strategy.
 - c. **Subtask 3:** Convene 5 organizing and GSA governance meetings with agencies to identify and implement the appropriate long-term governance approach for the GSA. The primary outcome is the development of a GSA governance structure that has widespread support of the eligible agencies, stakeholders, and general public.
 - d. **Subtask 4:** Ongoing project coordination with agencies.

The following is the timeline and budget summary for the two tasks:

Task	Timeline	Deliverable
Task 1: Support general public outreach in GSA formation process	May & Sept 2016	Subtask 1: 2 public workshops
	Jan-Jun 2016	Subtask 2: 3 farm organization meetings
Task 1 Subtotal: \$21,440		
Task 2: Support local GSA-eligible agencies in identifying and implementing the governance approach for GSA	Jan-Mar 2016	Subtask 1: Situation assessment of GSA-eligible agencies
	Mar 2016	Subtask 2: Kick-off meeting with agencies
	Apr-Aug 2016	Subtask 3: 5 organizing and GSA governance meetings with agencies
	Ongoing	Subtask 4: Project coordination with agencies.
Task 2 Subtotal: \$59,700		
TOTAL BUDGET: \$81,140		

Public stakeholder process

Facilitation services *included* in the DWR facilitation services award

The DWR has awarded the SCWA with a not-to-exceed budget of 317 hours of facilitation services to develop an educational process and convene a stakeholder engagement process to allow for the effective participation of the agricultural and landowner communities in the development of a GSA governance structure in the Solano Subbasin. A neutral, third-party facilitator - Ag Innovations (via MWH) - will develop and manage this public stakeholder process to provide the agricultural and landowner communities with information on which the GSA-eligible agencies seek input, and it will support these communities in identifying and communicating the issues and interests that they wish the agencies to address during GSA formation. Ultimately, this process is intended to help build widespread support or consensus on the GSA governance structure developed by local public agencies in the Solano Subbasin.

The public stakeholder process will include two primary sets of activities:

1. **Broad public engagement:** Conduct 1 public workshop and develop a web-based venue to (1) educate the public about SGMA requirements, responsibilities of GSAs, key SGMA implementation decision points, and groundwater conditions in the Solano Subbasin; and to (2) allow for public input during the GSA formation process. Ag Innovations will work with SCWA and sister agencies to prepare informational materials.
2. **External stakeholder workgroup:** Organize a workgroup composed of 15-25 members from the agricultural and landowner communities who will meet every 4-6 weeks in 2016 to ensure that stakeholder concerns and interests are heard and to the extent possible reconciled through formation of the GSA. Ag Innovations will serve as a liaison for the workgroup with the multiple GSA-eligible agencies.

Ag Innovations will work with SCWA leadership to coordinate this public stakeholder process throughout the duration of this DWR supported project, which is September 28, 2015 to December 31, 2016.

Ag Innovations background

Ag Innovations is a 501(c)3 nonprofit organization founded in 1999 to cultivate the ideas and actions needed for healthy farms, communities, and ecosystems. We are trusted facilitators, process designers, and project managers. Our extensive knowledge and leadership connections in natural resource management and food systems enable us to identify the right problems to tackle and the right people to engage. The primary contact for this project is: Lucas Patzek, Ph.D.: lucas@aginnoventions.org, 707-823-6111 x230

