

At the committee's meeting on February 24, 2015, Director Gray requested that the Minutes be amended to reflect that she did vote "aye" on this item, although her vote was not electronically recorded.

Committee Chair Peterson announced that item 3c would be taken out of order and be heard first.

3. COMMITTEE ITEMS

- c. Subject: Update on Public Negotiation Process regarding BDCP State Water Project Contract Amendment
- Presented by: Water Resource Management Implementation Section Manager Kevin Donhoff

Mr. Donhoff provided background information, listed the contracting parties, explained the difference between the State Water Project Contract Extension Amendment process and the State Water Project Bay Delta Conservation Plan (BDCP) Contract Amendment process, and also discussed projected timelines.

Staff addressed the committee's question about cost and confirmed that the two areas of cost allocation and water management provisions would be incorporated into one contract amendment.

- a. Subject: Review of the Independent State Treasurer's Findings Report regarding Bay-Delta Conveyance Facility Affordability and Financing
- Presented by: Budget and Financial Planning Senior Resource Specialist Arnout Van den Berg

Mr. Van den Berg provided an overview and highlighted key findings in the State Treasurer's report regarding BDCP affordability and financing. Mr. Van den Berg reviewed how the Treasurer's report examined capital and operating costs under three scenarios. He also compared the report findings with Metropolitan's estimated BDCP costs.

Staff addressed questions from the committee regarding funding mechanisms, affordability for agriculture, water yield, cash flow, and whether the report was based on the latest conveyance design changes.

- b. Subject: Refinement of the BDCP Conveyance Facilities
- Presented by: Bay-Delta Initiatives Special Projects Manager Randall Neudeck

Mr. Neudeck provided an overview of the conveyance refinements and optimization process. He noted the reasons for making refinements, and provided details about changes in the North Delta, Central Delta and South Delta.

Mr. Neudeck summarized the environmental, community, operational, and other benefits that would result from these proposed refinements.

Staff addressed comments from the committee regarding Clifton Court Forebay, reusable tunnel material, costs, environmental impact report schedule, and reasons for the intermediate forebay.

- d. Subject: Bay-Delta Manager's Report
Presented by: Assistant General Manager Roger Patterson

Mr. Patterson commended Gordon Johnson, Sergio Valles, John Bednarski, the California Department of Water Resources, and the consultants working with them on the design and construction refinements to the proposed BDCP conveyance system. He explained why the process presented in item 3c may take some time to complete. Mr. Patterson also announced that Bay-Delta Initiative Principal Engineer Paul Hutton's science paper on Delta consumptive use has been accepted for publication, and that Dan Nelson, General Manager, San Luis Delta Mendota Water Authority, is retiring in September 2015.

Staff addressed questions regarding contractor cost share discussions, and dredging of Clifton Court Forebay.

3. FUTURE AGENDA ITEMS

Director Murray requested that staff return to the committee in February with a report on the cost that Metropolitan has incurred on the BDCP from 2005 to the present.

Meeting adjourned at 11:23 a.m.

Glen Peterson
Chair