



Water Planning & Stewardship Committee

Appropriate \$20 million, and
authorize an amendment to the
2019 Reservoir Project Agreement

Item 7-13

April 12, 2022

Topics

- Overview & Participants
- Project Benefits
- Key Progress & 2022-2024 Workplan
- Board Action

Sites Reservoir

Proposal Under Analysis



- 1.3 – 1.5 million acre-feet
- Off-stream Sacramento River storage
- Largest dedicated environmental storage
- Broad statewide involvement

Broad Statewide Involvement

● Bay Area

- Santa Clara Valley WD
- Zone 7 Water Agency

● San Joaquin Valley

- Rosedale-Rio Bravo WSD
- Wheeler Ridge - Maricopa

● Southern California

- Antelope Valley - East Kern WA
- Coachella Valley WD
- Desert Water Agency
- Irvine Ranch Water District
- Metropolitan Water District
- San Bernardino Valley MWD
- San Geronio Pass Water Agency
- Santa Clarita Valley Water Agency

● State/Federal

- California Dept. of Water Resources
- U.S. Bureau of Reclamation



Sites



● Sacramento Valley

- Carter Municipal Water Co.
- City of American Canyon
- Colusa County
- Colusa County Water District
- Cortina Water District
- Davis Water District
- Dunnigan Water District
- Glenn County
- Glenn-Colusa Irrigation District
- La Grande Water District
- Reclamation District 108
- Rosedale-Rio Bravo WSD
- City of Roseville
- Sacramento County WA
- City of Sacramento
- Tehama Colusa Canal Authority
- Westside Water District
- Western Canal Water District

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Sites Reservoir

Statewide Benefits



Sites Reservoir MWD Service Area Benefits

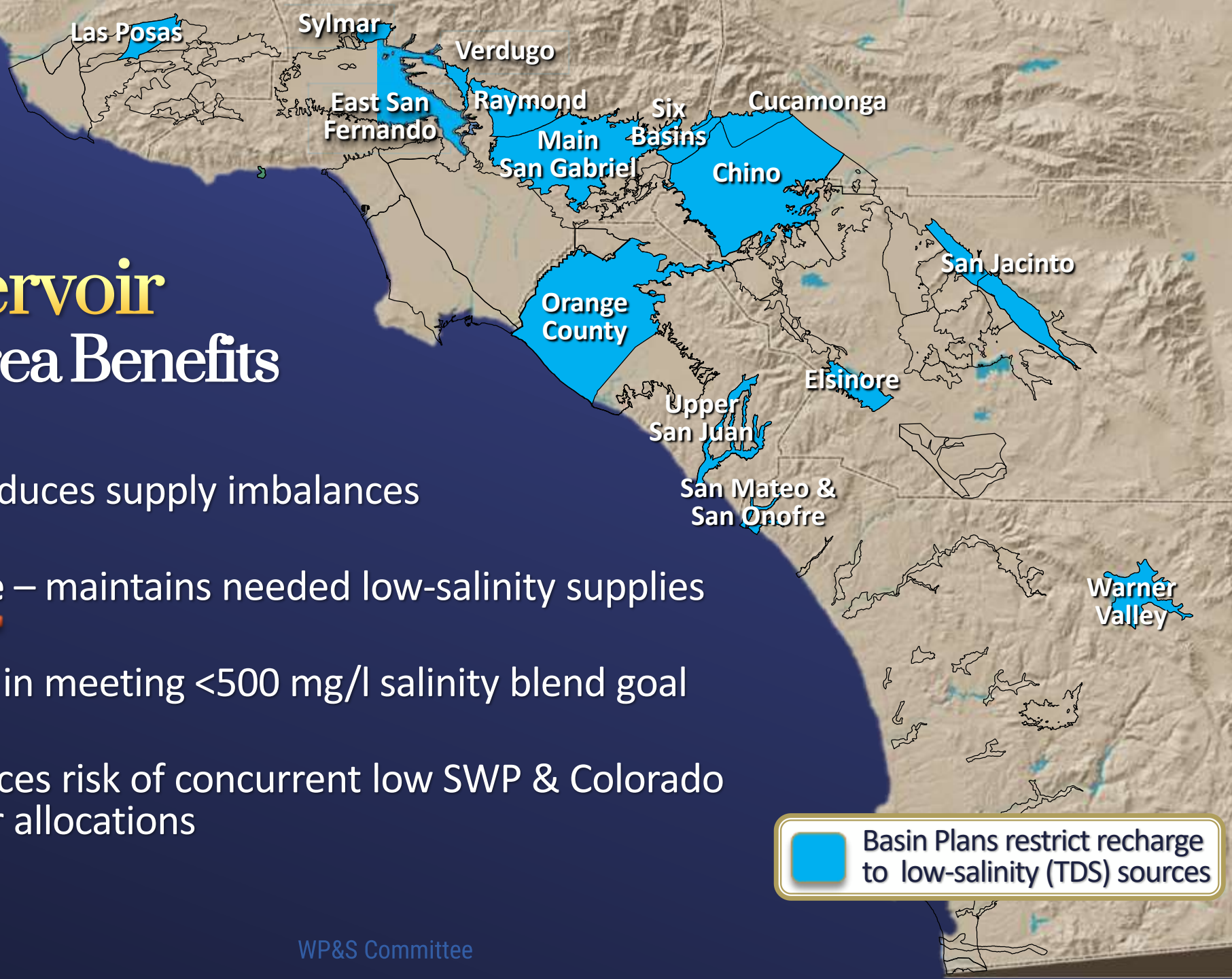
- ☒ **SWP Reliant Areas** – reduces supply imbalances
- ☐ **Groundwater Recharge** – maintains needed low-salinity supplies
- ☐ **Water Quality** – assists in meeting <500 mg/l salinity blend goal
- ☐ **Perfect Drought** – reduces risk of concurrent low SWP & Colorado River allocations



Sites Reservoir

MWD Service Area Benefits

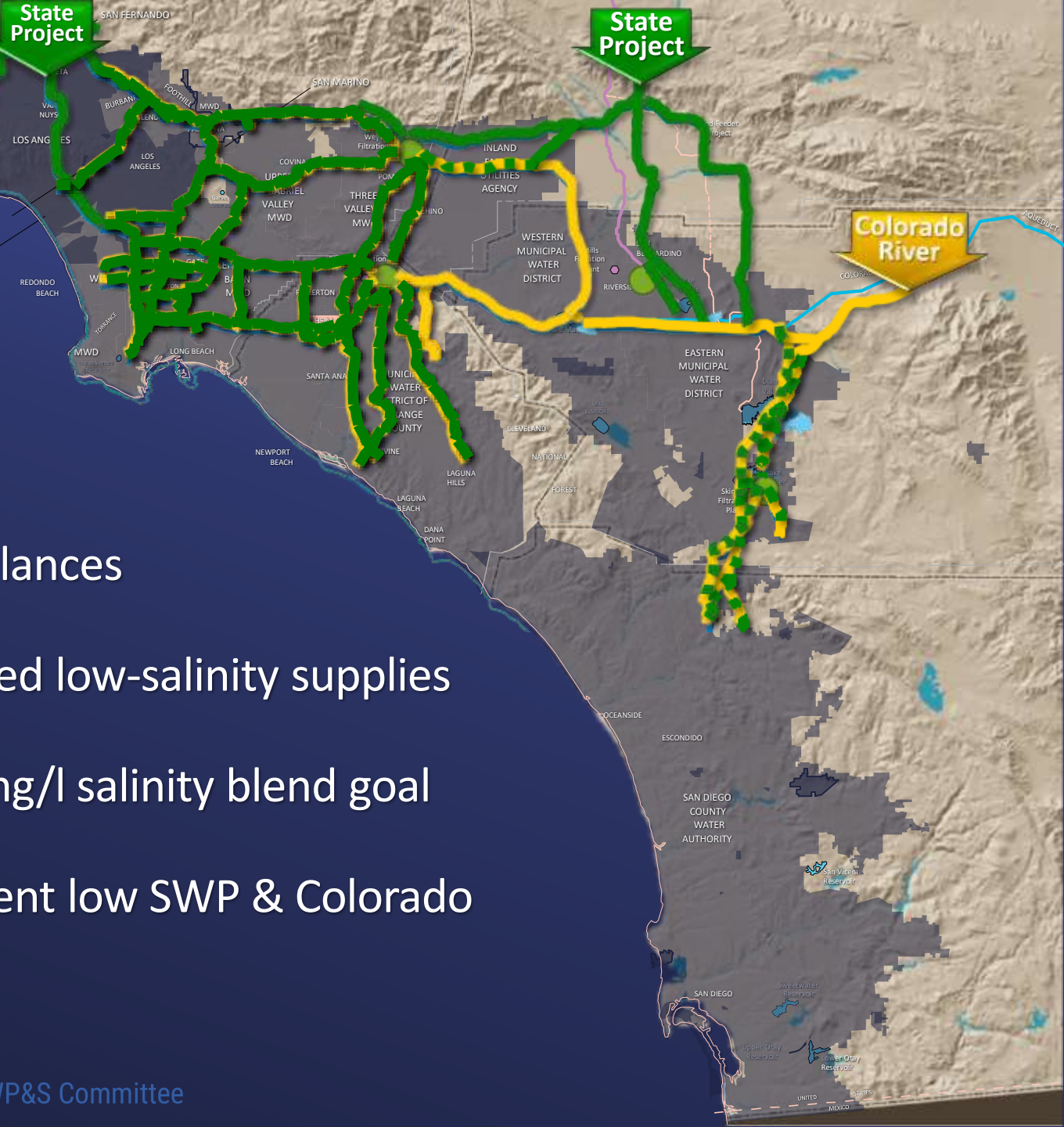
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 Basin Plans restrict recharge to low-salinity (TDS) sources

Sites Reservoir MWD Service Area Benefits

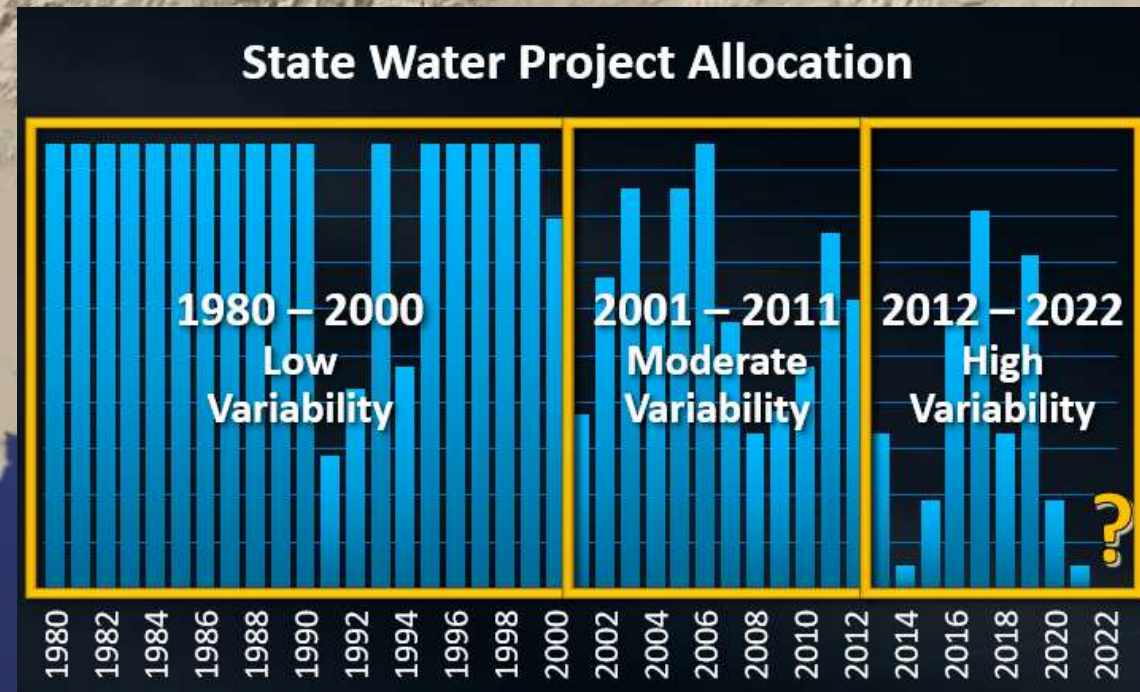
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Sites Reservoir

MWD Service Area Benefits

- ☐ **SWP Reliant Areas** – reduces supply imbalances
- ☐ **Groundwater Recharge** – maintains needed low-salinity supplies
- ☐ **Water Quality** – assists in meeting <500 mg/l salinity blend goal
- ☒ **Perfect Drought** – reduces risk of concurrent low allocations of SWP and Colorado River supplies



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Key Progress

✓ Technical Analyses

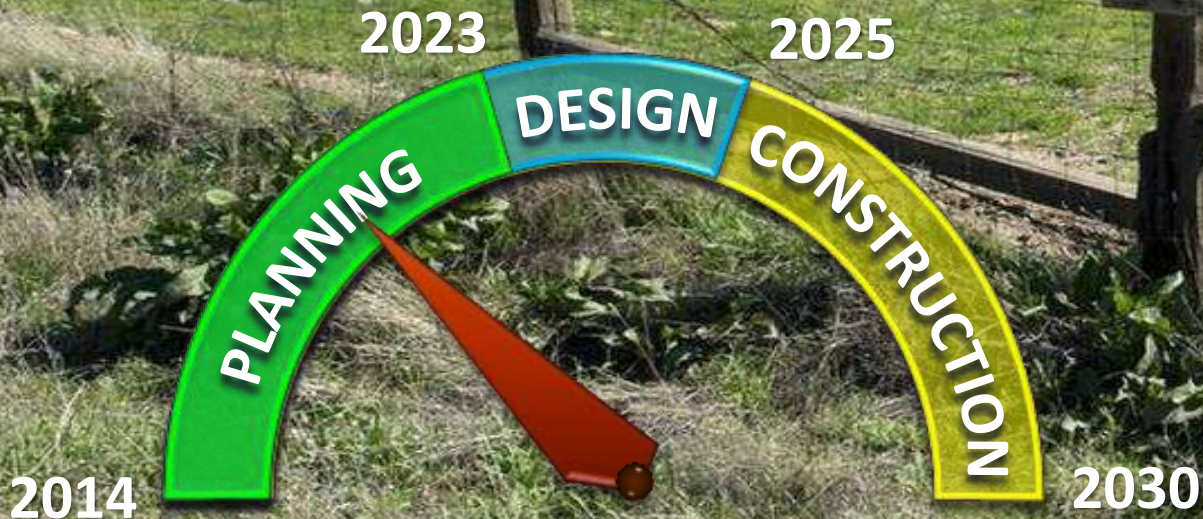
- Initial water supply modeling & operations
- Initial engineering design & cost estimates
- Value Planning project improvements


✓ Regulatory/Environmental

- Revised Draft Environmental Impact Report/Statement
- Regulatory agency consultation & initial permit application development

✓ State/Federal Funding

- \$875 million State Proposition 1 grant
- \$104 million federal WIIN Act grant
- \$449 million US Dept. of Agriculture loan
- \$2.2 billion federal WIFIA loan (application)





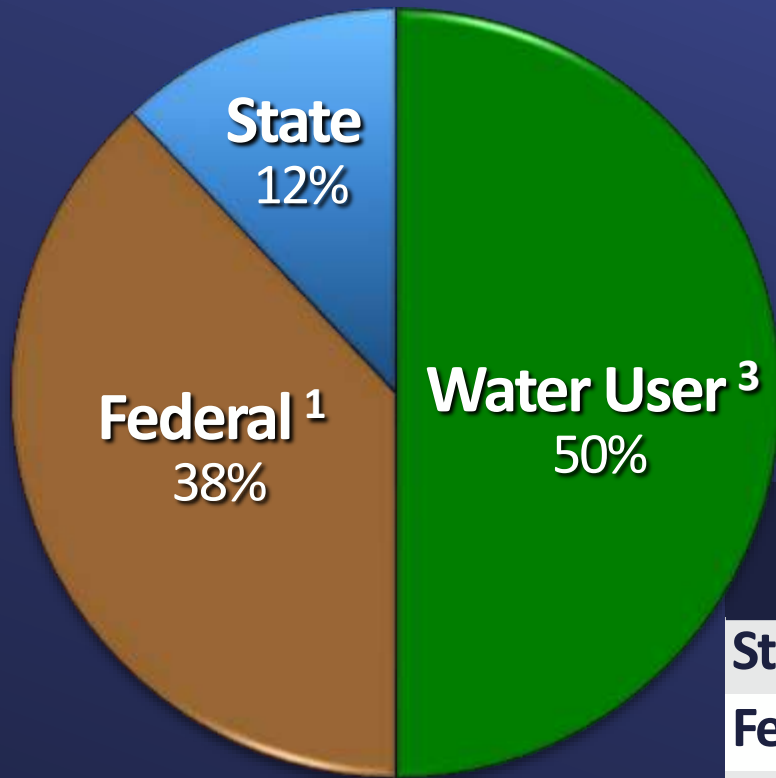
2022-24 Workplan

Focus & Key Deliverables

- Environmental
 - Final EIR/EIS & Record of Decision
- Permits/Agreements
 - Water rights permit
 - Environmental permits
 - Local agency agreements
- Project Operations
 - Final coordinated operations agreement with DWR/USBR
- Engineering
 - Advance 30% design & geotechnical investigations
- Develop mitigation & land acquisition master plan

Reservoir overlook – Governor Brown (2018)

1. 2022-24 Workplan, also referred to as the Amendment 3 Workplan



2022-24 Workplan 3-Year Budget¹

Source	2022	2023	2024	Total
State (Prop 1 Grant)	\$ 18,300,000	--	--	\$ 18,300,000
Federal (WIIN Act) ²	\$ 10,000,000	\$ 20,000,000	\$ 20,000,000	\$ 50,000,000
Water Users ³	\$ 17,267,000	\$ 23,972,000	\$ 27,324,000	\$ 68,563,000
Carryover Funds	\$ 6,000,000			\$ 6,000,000
TOTAL³	\$ 51,567,000	\$ 43,972,000	\$ 47,324,000	\$ 142,863,000
MWD Share ⁴	\$ 5,000,000	\$ 7,000,000	\$ 8,000,000	\$20,000,000

1. 2022-24 Workplan, also referred to as the Amendment 3 Workplan, is for the period of Jan. 1, 2022, through Dec. 31, 2024.

2. Subject to federal appropriation

3. Subject to individual participating agency Board approval

4. Assumes participation by Metropolitan based a 311,700 acre-ft of storage (also defined as an average yield of 50,000 AF/year)

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Options

Option #1

- Authorize the General Manager to sign the Third Amendment to the 2019 Project Reservoir Agreement with the Sites Project Authority and other participants for participation in the Amendment 3 Workplan for an amount not to exceed \$20,000,000; and
- Appropriate \$20,000,000 for the Amendment 3 Workplan based on reserving 311,700 acre-feet (AF) of storage rights, which is equivalent to approximately 50,000 AF of annual water supply reservoir releases.

Option #2

- Do not authorize the General Manager to sign the Third Amendment to the 2019 Reservoir Project Agreement with the Sites Project Authority for participation in the Amendment 3 Workplan

Staff Recommendation

Option #1

